184. Also, petition of Joseph A. Haggerty and 38 other citizens of Philadelphia, Pa., urging the adherence by the United States to the Neutrality Acts passed by the Congress of the United States on August 31, 1935, and May 1, 1937, respectively; to the Committee on Foreign Affairs.

185. Also, petition of Msgr. J. Carroll McCormick, chancellor of the archdiocese of Philadelphia, and 60 other citizens of Philadelphia, Pa., strongly urging the adherence by the United States to the Neutrality Acts passed by the Congress of the United States on August 31, 1935, and May 1, 1937, respectively; to the Committee on Foreign Affairs.

186. My Mr. PFEIFER: Petition of the New York College Teachers Union, Local 537, New York City, urging appropriation for continuance of the Works Progress Administra-

tion; to the Committee on Appropriations.

187. Also, petition of the Oil Workers International Union, New York Local No. 431, New York City, urging support of the \$1,000,000,000 appropriation for the Works Progress Administration; to the Committee on Appropriations.

188. Also, petition of the Transport Workers Union of Greater New York, urging appropriation for the Works Progress Administration; to the Committee on Appropriations.

189. Also, petition of the Federation of Architects, Engineers, Chemists, and Technicians, New York City, favoring an adequate appropriation to maintain the Works Progress Administration; to the Committee on Appropriations.

190. Also, petition of the Cleaners, Dyers, Pressers, Drivers, and Allied Trades Union, Local 239, New York City, urging support of an appropriation for the Works Progress Administration: to the Committee on Appropriations.

191. Also, petition of the Works Progress Administration Teachers' Union, New York City, urging support of the President's security program; to the Committee on Ways and Means.

192. Also, telegram from Rockwell Kent, president, United American Artists, New York City, urging consideration of President's proposal of \$875,000,000 for relief; to the Committee on Appropriations.

193. Also, petition of the People's Democratic Organization of the thirteenth aldermanic district, Brooklyn, N. Y., urging support of the President's appropriation for the Works Progress Administration; to the Committee on Appropriations.

194. Also, petition of the Federal Project Supervisors and Administrative Employees' Union, Local 21719, American Federation of Labor, New York City, urging support of the President's request for a Works Progress Administration appropriation; to the Committee on Appropriations.

195. Also, petition of the adult student body, Public School 167, Brooklyn, N. Y., urging support for a billion-dollar appropriation for relief and opposing Works Progress Administration cuts; to the Committee on Appropriations.

196. By Mr. PLUMLEY: Petition of Melvin C. Reynolds and some 92 other citizens of Hartford, Hartland, Ludlow, Quechee, White River Junction, Wilder, and Woodstock, asking the Ways and Means Committee to report the Townsend national recovery plan bill to the House; to the Committee on Ways and Means.

197. By Mr. VAN ZANDT: Petition of certain citizens of Altoona, Juniata, Pa., favoring the policy of neutrality as enunciated in an act of Congress of August 31, 1935, and also an act of May 1, 1937, etc.; to the Committee on Foreign Affairs.

198. By Mr. WEAVER: Petition of certain citizens of Asheville, N. C., relating to the Neutrality Act of August 31, 1935; to the Committee on Foreign Affairs.

199. By the SPEAKER: Petition of Mrs. Harry Thompson, Pittsburgh, Pa., and others, petitioning consideration of their petition with reference to neutrality; to the Committee on Foreign Affairs.

200. Also, petition of Myron H. Clark, Newark, N. J., petitioning consideration of a petition with reference to embargo; to the Committee on Foreign Affairs.

201. Also, petition of the Woman's Club of Ridgewood, N. J., petitioning consideration of their resolution with reference to the Dies committee; to the Committee on Rules.

202. Also, petition of Andrew Monahan, Pittsburgh, Pa., and others, petitioning consideration of their petition with reference to embargo; to the Committee on Foreign Affairs.

## SENATE

## Monday, January 16, 1939

The Chaplain, Rev. Z@Barney T. Phillips, D. D., offered the following prayer:

Thou who art the fountain of life and light, whose herald star gives promise of another dawn wherein Thy children may rejoice: sanctify to each one the opportunities awaiting him for serving Thee in quiet calm and confidence and in the courage born of goodness, that through us may be mediated the influences of dignity of soul and purity of heart to the uplift of our fellow citizens.

Bring under Thy loving sway the leaders of all the nations of the world, that true victory may be achieved in the arena of thought, that prejudice, error, and ignorance may be destroyed—not men—that light may be shed—not blood—till fear dies, joy deepens, and love and life with God are enthroned upon the earth.

We ask it in our Saviour's name. Amen.

#### THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, January 12, 1939, was dispensed with, and the Journal was approved.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed a joint resolution (H. J. Res. 83) making an additional appropriation for work relief and relief for the fiscal year ending June 30, 1939, in which it requested the concurrence of the Senate.

The message communicated to the Senate the intelligence of the death of Hon. Ben Cravens, late a Representative from the State of Arkansas, and transmitted the resolutions of the House thereon.

### CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Calif.	Pittman
Andrews	Donahey	Johnson, Colo.	Radcliffe
Ashurst	Downey	King	Reed
Austin	Ellender	La Follette	Revnolds
Bailey	Frazier	Lee	Russell
Bankhead	George	Lodge	Schwartz
Barbour	Gerry	Logan	Schwellenbach
Barkley	Gibson	Lucas	Sheppard
Bilbo	Gillette	Lundeen	Smith
Bone	Glass	McCarran	Taft
Borah	Green	McKellar	Thomas, Okla.
Bridges	Guffey	McNary	Thomas, Utah
Brown	Gurney	Maloney	Tobey
Bulow	Hale	Mead	Townsend
Burke	Harrison	Minton	Truman
Byrd	Hatch	Murray	Tydings
Byrnes	Hayden	Neely	Vandenberg
Capper	Herring	Norris	Van Nuys
Chavez	Hill	Nye	Walsh
Clark, Idaho	Holman	O'Mahoney	White
Connally	Holt	Overton	Wiley
Danaher	Hughes	Pepper	110000

Mr. MINTON. I announce that the Senators from Arkansas [Mrs. Caraway and Mr. Miller] are absent attending the funeral of the late Representative Cravens, of Arkansas.

The Senator from Missouri [Mr. CLARK] is detained because of illness.

The Senator from Illinois [Mr. Lewis], the Senator from New Jersey [Mr. Smathers], and the Senator from Montana

[Mr. Wheeler] are detained from the Senate on important public business.

The Senator from New York [Mr. WAGNER] is in New York attending the funeral of the late Col. Jacob Ruppert.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

#### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Hess, one of his secretaries.

PROPOSED AGRICULTURAL LEGISLATION-PERSONAL EXPLANATION

Mr. BULOW. Mr. President, on page 223 of the Congressional Record of January 12, 1939, reference is made to the introduction of Senate bill 570 as being sponsored by 18-Members of the Senate, including myself.

I desire to say that I had no opportunity to participate in the preparation of this bill, and it is not my habit to sponsor any measure to which I have not given consideration. This bill affects agriculture, a subject of intense interest to the people of my State. The bill may be a good agricultural measure, and I may support it—in fact, I may earnestly support it—but I do not care to pledge that support in advance, as I have had no opportunity to read the bill and give it consideration. Therefore, at this my first opportunity in open session of the Senate since the introduction of the measure, I desire to disclaim any responsibility as one of the proponents of Senate bill 570.

#### SENATOR FROM TENNESSEE-PETITION OF CONTEST

The VICE PRESIDENT laid before the Senate the petition of John Randolph Neal, of Knoxville, Tenn., contesting the right of Hon. A. T. Stewart elected to a seat in the United States Senate from the State of Tennessee to fill the vacancy in the term ending January 2, 1943, caused by the death of Hon. Nathan L. Bachman, which was referred to the Committee on Privileges and Elections.

## TRANSFER OF PROPERTY TO THE SECRETARY OF THE TREASURY

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to transfer jurisdiction of portions of property within the military reservation known as the Morehead City Target Range, N. C., to the Secretary of the Treasury, which, with the accompanying papers, was referred to the Committee on Military Affairs.

## REPORT OF COMPTROLLER OF THE CURRENCY

The VICE PRESIDENT laid before the Senate a letter from the Comptroller of the Currency, transmitting, pursuant to law, the text of the annual report of Comptroller of the Currency for the year ended October 31, 1938, which, with the accompanying report, was referred to the Committee on Banking and Currency.

# EMPLOYMENT OF ALIENS BY GOVERNMENTAL DEPARTMENTS AND AGENCIES

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting, in response to Senate Resolution 285, agreed to June 8, 1938, the names of aliens employed by the Treasury Department, and the reasons for such employment, which, with the accompanying paper, was referred to the Committee on Education and Labor.

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Navy, transmitting, in response to Senate Resolution 285, agreed to June 8, 1938, the names of aliens employed by the Department of the Navy, and the reasons for such employment, which, with the accompanying paper, was referred to the Committee on Education and Labor.

The VICE PRESIDENT laid before the Senate a letter from the Administrator of the Federal Emergency Administration of Public Works, stating, in response to Senate Resolution 285, agreed to June 8, 1938, that no aliens are employed by that Administration, which was referred to the Committee on Education and Labor.

## COST-ASCERTAINMENT REPORT, POST OFFICE DEPARTMENT

The VICE PRESIDENT laid before the Senate a letter from the Postmaster General, transmitting, pursuant to law, a report showing the cost of carrying and handling the several classes of mail matter and of performing the special services for the fiscal year ended June 30, 1938, which, with the accompanying report, was referred to the Committee on Post Offices and Post Roads.

## RELIEF OF CERTAIN DISBURSING OFFICERS AND OTHERS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation for the relief of disbursing officers and other officers and employees of the United States from disallowances and charges on account of airplane travel, which, with the accompanying paper, was referred to the Committee on Claims.

## CANCELATION AND ADJUSTMENT OF INDIAN INDEBTEDNESS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report of cancelations and adjustments of reimbursable charges of the United States existing as debts against individual Indians or tribes of Indians, which was referred to the Committee on Indian Affairs.

## ATTORNEYS' FEES, OSAGE INDIAN FUNDS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to authorize the payment of attorneys' fees from Osage tribal funds, which, with the accompanying paper, was referred to the Committee on Indian Affairs.

## LAWS OF MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN, V. I.

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a copy of laws passed by the Municipal Council of St. Thomas and St. John, which, with the accompanying papers, was referred to the Committee on Territories and Insular Affairs.

## CONTROL OF INSECT PESTS AND PLANT DISEASES

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a report on the Department's work to control incipient and emergency outbreaks of insect pests and plant diseases from December 16, 1937, to December 15, 1938, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

## REPORT OF WAGE AND HOUR DIVISION OF THE DEPARTMENT OF LABOR

The VICE PRESIDENT laid before the Senate a letter from the Administrator of the Wage and Hour Division of the United States Department of Labor, transmitting, pursuant to law, a report on the administration of the Wage and Hour Division for the period August 15, 1938, to December 31, 1938, which, with the accompanying report, was referred to the Committee on Education and Labor.

## CONDITION OF CUTLERY TRADE AND PRODUCTION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the United States Tariff Commission, transmitting, in respose to Senate Resolution 246 (72d Cong.), a report as to the general condition surrounding the production of and trade in the several kinds of cutlery, which, with the accompanying report, was referred to the Committee on Finance.

#### REPORT OF CHESAPEAKE & POTOMAC TELEPHONE CO.

The VICE PRESIDENT laid before the Senate a letter from the president of the Chesapeake & Potomac Telephone Co., transmitting, pursuant to law, the annual report of the company for the year ended December 31, 1938, the results of the operations for December only being estimated, which, with the accompanying report, was referred to the Committee on the District of Columbia.

#### ORDER OF BUSINESS

Mr. SHEPPARD. Mr. President-

The VICE PRESIDENT. Today being the anniversary of the adoption of the eighteenth amendment, the Chair recognizes the Senator from Texas [Mr. Sheppard] on "the crime of 1933."

Mr. LOGAN. Mr. President-

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Kentucky?

Mr. SHEPPARD. I yield for morning business, although I will hold the floor.

EXPANSION OF CREDIT AND CURRENCY—LETTER FROM EUGENE E.
GREESON

Mr. LOGAN. Mr. President, early in the present session I introduced a bill to amend the Federal Reserve Act. A few days later the Wall Street Journal published an editorial criticizing the bill. A gentleman by the name of Eugene E. Greeson wrote a letter to the Wall Street Journal criticizing the editorial. I ask unanimous consent to have a copy of that letter inserted in the Record as part of my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

WASHINGTON, D. C., January 11, 1939.

WALL STREET JOURNAL, New York, N. Y. (Attention Mr. Woodlock)

(Attention Mr. Woodlock)

Dear Mr. Woodlock: In the Wall Street Journal's editorial The Cart and the Horse of January 7 appears a criticism of a bill introduced by Senator M. M. Logan, former attorney general of Kentucky and chief justice of the Kentucky Court of Appeals. The editorial suggests that he is putting the cart before the horse in advocating an annual expansion of 4 percent of credit and currency over the amount outstanding the preceding year to supply the country with an amount of money equal to the normal expansion of the capacity of the country to produce. You assert that bank credit (demand bank deposits) follows production and does not precede it.

The tables of the Department of Labor repeatedly put in the hearings before the Banking and Currency Committee of the House of Representatives demonstrate that within from 30 to 60 days factory employment and factory wages rise as the volume of money rises and fall as the volume of money falls. In these tables the volume of money is indicated by the all-commodity index, sometimes called the price level. This all-commodity index is based upon a fixed volume of 784 commodities multiplied by the average price, severally, of each commodity, giving a total volume of money so employed in 1926 of \$54,700,000,000 as a basis of comparison with later years. The present all-commodity index of 77, approximately, means that the total amount of money required to buy the same volume of commodities as in 1926 at the prices of 1938 was 77 percent of \$54,700,000,000. The price level merely represents the volume of money actually employed in the manner described in any one year as compared to the standards of 1926.

It is obvious that you do not understand this and do not know the facts; otherwise you could not conscientiously make the statement that the Logan proposal puts the cart before the horse, when your editorial does just that

your editorial does just that.

Your statement that the banks do not create credit is contradicted by Marriner Eccles, Chairman of the Board of Governors of the Federal Reserve System. All informed bankers now know this, and it is too late to attempt to contradict it.

For your information I call your attention to page 126 of the hearings before the House Committee on Banking and Currency on H. R. 7230, where the facts to which I refer are established from the evidence of the Department of Labor and from the files of the Federal Reserve Board. I am sending you a copy of the hearings under separate cover.

It has been a lack of the general knowledge of these facts that accounts for the disaster which has taken place in America in the depressions which have invariably followed the contraction of the money supply by the banks contracting loans to industry and commerce. Loans were contracted from \$41,600,000,000 in June 1929 to \$21,200,000,000 by December 31, 1932, a contraction of over \$20,-000,000,000. This contraction of \$20,000,000,000 resulted in the depression which has afflicted us and the suspension of all the banks in March 1933.

Yours respectfully,

EUGENE E. GREESON.

The VICE PRESIDENT. May the Chair ask the Senator from Texas if he will yield for the purpose of concluding the morning-hour business, such as the presentation of petitions and memorials and introduction of bills, and so forth?

Mr. SHEPPARD. I have announced that I would be glad to do so.

#### EXECUTIVE REPORTS FROM JUDICIARY COMMITTEE

Mr. LOGAN, as in executive session, from the Committee on the Judiciary, reported favorably the nomination of Frank Murphy, of Michigan, to be Attorney General, to which office he was appointed during the last recess of the Senate, vice Homer S. Cummings, resigned.

Mr. NEELY. Mr. President, out of order, I ask unanimous consent, as in executive session, from the Committee on the Judiciary, to present a favorable report on the nomination of Dr. Felix Frankfurter, of Massachusetts, to be an Associate Justice of the Supreme Court, and also a favorable report on the nomination of Mr. Lemuel R. Via, of West Virginia, to be United States district attorney for the southern district of West Virginia.

The VICE PRESIDENT. The reports will be received and placed on the Executive Calendar.

Mr. BARKLEY. Mr. President, I should like to ask my colleague [Mr. Logan] if the nominations reported from the Judiciary Committee are the nominations of the Attorney General of the United States and of Associate Justice of the Supreme Court?

Mr. LOGAN. That is correct. I reported the nomination of the Attorney General, and the Senator from West Virginia [Mr. Neely] reported the nomination of the Associate Justice of the Supreme Court.

Mr. BARKLEY. I should like to ask the Senator from Kentucky and also the Senator from Arizona, the chairman of the Judiciary Committee, whether they will be ready to proceed with these nominations tomorrow?

Mr. LOGAN. So far as the Senator from Kentucky is concerned, he will be ready to proceed at that time.

Mr. McNARY. Mr. President, of course that is conditioned upon the reports being submitted today, as I shall insist that all nominations shall go to the calendar before action.

The VICE PRESIDENT. These nominations, the Chair understands, have been reported by unanimous consent, and will go to the calendar, and on tomorrow, as the Chair understands, under the rule, they may be considered.

Mr. BARKLEY. I have no intention of asking that they be considered today. I wanted to know from the members of the committee if they would be ready to proceed tomorrow, so that I might advise the Senate that on tomorrow we might dispose of these two nominations.

Mr. NEELY. Mr. President, as the chairman of the subcommittee that conducted the hearings in relation to Dr. Frankfurter's nomination, may I not inform the leader of the majority that the printed record of the evidence taken will not be available before next Friday or Saturday.

Mr. BARKLEY. The reason I inquired is that there is no business before the Senate, and unless these nominations can be taken up tomorrow there is no need for the Senate then to meet. I was trying to find out whether the members of the committee would be ready, and I was assured by both the chairmen of the subcommittees that they would be ready tomorrow. If the nominations cannot be taken up tomorrow, there is no need for the Senate to reassemble merely to adjourn again. I am going to assume, therefore, that the nominations will be taken up tomorrow.

#### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of Vermont, which was referred to the Committee on the Judiciary:

Whereas the sovereign State of Vermont, through its board of public works, acting upon the written authorization of its Governor, George D. Alken, did on its part enter into a contract with the United States of America, acting through the Secretary of War, entitled "Agreement between the State of Vermont and the United States of America for land acquisition for the dam site and reservoir basins of the Union Village Dam in Vermont"; and Whereas the operation of the aforesaid contract was prevented

Whereas the operation of the aforesaid contract was prevented by the refusal of the United States of America, acting through its Secretary of War to confirm and bind itself in writing to the terms of the agreement, as the State of Vermont on its part had already

done in good faith; and
Whereas the Governor of the State of Vermont, under date of
January 7, 1939, did inform the Secretary of War in writing that

the executive of a sovereign State could not give his written approval to a contract the terms of which were not given in writing; and

whereas the State of Vermont, through its Governor, George D. Aiken, under date of October 15, 1938, did inform the Secretary of War that Vermont did not recognize the right of the United States of America to purchase or acquire land within the State without the consent of the State, affirming at the same time the readiness of the State of Vermont to cooperate with the United States of America in the acquisition of land for the dam site and reservoir basin in the town of Thetford, in accordance with the laws of the State of Vermont and pledging his willingness to necolaws of the State of Vermont, and pledging his willingness to negotiate an agreement; and

Whereas the failure of the United States of America to give evi-Whereas the failure of the United States of America to give evidence of its sincerity by entering into a written agreement with the State of Vermont places the internal sovereignty of the State of Vermont over its lands and natural resources and its people in double jeopardy, because the Flood Control Act of 1938, amending section 3 of the act of 1936 (ch. 795, sec. 2, 52 Stat. 1215, title 33, U. S. C. A., sec. 701 (c-1)), repealing the sacred words "with the consent of the State" and substituting therefor the arbitrary words "notwithstanding any restrictions or limitations or prior consent by any other act" thereby giving the Secretary arbitrary powers openly to flaunt and to ignore the internal sovereignty of a soveropenly to flaunt and to ignore the internal sovereignty of a sover-eign State in the acquisition of lands, easements, and rights-ofway necessary for any dam and reservoir project or channel im-provement or rectification project for flood control purposes; and Whereas the silence at this critical hour of the State of Vermont

to insist that the extension of article I, section 8, and clause 8 of the Constitution of the United States of America, giving Congress power to regulate commerce with foreign nations and among the several States, in such an arbitrary and unnecessary manner makes void article X of the amendments to the Constitution of the United States of America reserving to the States, respectively. or to the people rights not delegated to the United States of

America; and

Whereas the growing and menacing ambition of those in authority and influence in the Capital of the United States of America is so to mutilate the intent of article X of the amendments to the Constitution of the United States of America to centralize paramount authority in Washington by emasculating the internal sovereignty of the several States over their lands and resources;

Whereas the aforesaid issue between the sovereign State of Vermont and the United States of America has been joined by the arbitrary disregard of the principle of the reserved rights of the people and of the several States, and if this faithlessness to the sacred Federal structure of these United States of America is allowed to go unchallenged, the present affront to the several States of the United States of America is allowed to go unchallenged, the present affront to the several States of the Union will be but the entering wedge progressively to divest and further to encroach upon the sacred area of rights reserved to the people and to the several States; and

Whereas the sad plight of other sections of our world, as well as the history of our own land before the formation of these United States of America, warns us that liberty itself withers when arbitrary power, heedless of respect for negotiation, consent, and respect for the rights and obligations of others, gathers unto himself powers which are unrestrained by law: Be it therefore

Resolved by the senate and house of representatives, proclaiming sympathy for those communities which have suffered and may again suffer from catastrophies caused by disastrous flood waters; declaring its readiness to cooperate with the United States of America and the several States in measures designed to prevent such floods and their human and economic tragedies; insisting that the internal sovereignty of the State of Vermont cannot be invaded or compromised without its consent; warning the several sister States of the Union that the program of an arbitrary, ambitious, and unscrupulous minority must now be prevented from usurping the rights and powers reserved to the people and to the States; and reiterating the question which Thomas Chittenden placed be-fore the Congress of the United States of America when, in 1779, under similar circumstances and in a similar memorial, he wrote:

under similar circumstances and in a similar memorial, he wrote:

"The general assembly will be pleased to learn over what part of
this State you mean to extend your claim, and how far you mean
to carry such pretensions into execution. Every necessary step
shall be pursued to bring about an equitable accommodation of all
differences, agreeable to the strict rules of justice and equity,
which cannot be attended to " " without an explicit acknowledgment of the independence of this State? Can a people
such as ours be dragged, or flattered, into a subjection " "
merely to allow them a stretch of jurisdiction, and thereby augmerely to allow them a stretch of jurisdiction, and thereby aug-

ment this power?"

ment this power?"

That the honorable Senate and the House of Representatives of the Congress of the United States of America be respectfully requested to direct the Secretary of War to execute in behalf of the United States of America the aforesaid "agreement between the State of Vermont," already executed in good faith by the Board of Public Works and the Governor of the State of Vermont; and be it further Resolved, That the honorable Senate and House of Representatives of the Congress of the United States of America be respectfully requested to uphold the sacred faith and tradition of the American people by repealing forthwith such enactments as may allow the United States of America to invade the internal sovereignty of a sovereign State over its land and natural resources without its consent thereto; and be it further

Resolved, That copies of this resolution be sent by the secretary of state to the Vice President of the United States, as the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to each Senator and Representative who represents the State and people of Vermont in the Congress of the United States of America.

OSCAR L. SHEPARD,
Speaker of the House of Representatives.
WM. H. WILLS,
President of the Senate.

Approved January 12, 1939.

GEORGE D. AIKEN, Governor.

The VICE PRESIDENT also laid before the Senate resolutions adopted by sundry citizens of the District of Columbia and the States of Illinois and New Jersey, favoring an appropriation for the Works Progress Administration sufficient to take care of relief needs and municipal projects, and the adoption of a civil-service program for that agency, which was referred to the Committee on Appropriations.

He also laid before the Senate telegrams in the nature of memorials from Laredo Council, No. 2304, Knights of Columbus, of Laredo, Tex., and sundry citizens of the United States, remonstrating against lifting the embargo against shipment of arms to Spain, which were referred to the Committee on

Foreign Relations.

He also laid before the Senate a resolution adopted by the Woman's Christian Temperance Union of Latta, S. C., favoring the enactment of legislation to prohibit the advertising of alcoholic beverages by press and radio, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a telegram from members of the Southwestern Conference of Mayors and Chamber of Commerce Representatives in session at Silver City, N. Mex., favoring continuance of the Special Committee to Investigate Un-American Activities, House of Representatives, which was referred to the Committee on the Judiciary.

He also laid before the Senate a letter from Hon. Anthony J. DIMOND, Delegate from Alaska, transmitting a memorial of the city of Seward, Alaska, favoring an investigation of the Alaska Railroad, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate two telegrams from citizens of Alaska, favoring the appointment of Victor C. Rivers to the position of secretary of Alaska, which were referred to the Committee on Territories and Insular Affairs.

Mr. LODGE presented petitions of sundry citizens of the State of Massachusetts, praying for the enactment of generalwelfare legislation providing old-age assistance, which were referred to the Committee on Finance.

Mr. MALONEY presented a resolution adopted by the Bridgeport (Conn.) Council of Catholic Women, protesting against lifting the embargo on the shipment of arms and munitions to Spain, which was referred to the Committee on Foreign Relations.

He also presented petitions of the Holy Ghost Fathers and Students, of Ridgefield; the Catholic Daughters of America, by Mary Hughes Shread, chairman of the Connecticut State legislative committee; members of the Sodality of the Children of Mary, of St. Mary's Church, of Norwalk, and sundry citizens, all in the State of Connecticut, praying for adherence to the existing neutrality law and continuation of the embargo on the shipment of arms and munitions to Spain, which were referred to the Committee on Foreign Relations.

He also presented the memorial of members of the congregation of All Saints Chapel, of New Haven, Conn., remonstrating against the shipment of war supplies from the United States to Japan, which was referred to the Committee on Foreign Relations.

Mr. CAPPER presented a petition of sundry citizens of Cowley County, Kans., praying for the repeal of the Agricultural Adjustment Act of 1938, which was referred to the Committee on Agriculture and Forestry.

POLITICAL FRANCHISE FOR THE DISTRICT OF COLUMBIA

Mr. CAPPER. Mr. President, I send to the desk and ask to have printed in the RECORD and appropriately referred a letter from Mr. Theodore W. Noyes, president of the Association of Oldest Inhabitants of the District of Columbia, together with a plea to Congress from the association for the adoption of an amendment to the Constitution to provide national representation in both Houses of Congress and in the electoral college for the Nation's Capital.

I find myself in hearty sympathy with the sentiments expressed in this plea. It has always seemed to me a rank injustice that the people of this, the Capital of the greatest nation on earth, who are subject to all the responsibilities and obligations of citizenship, the same as citizens of the several States, should be denied what I consider the outstanding function of citizenship—the right of suffrage; the right to vote for President and Vice President; the right to be represented in both branches of Congress by Members of their own choosing.

I think the plea presents a powerful argument for the enfranchisement of the people of the District of Columbia. I commend it to the thoughtful consideration of the Congress and interested citizens everywhere, and hope that it may be productive of favorable action at an early date.

There being no objection, the letter and plea were ordered to be printed in the RECORD and referred to the Committee on the Judiciary, as follows:

> ASSOCIATION OLDEST INHABITANTS OF THE DISTRICT OF COLUMBIA Washington, D. C., January 12, 1939.

To the Senate of the United States:

By direction of the Association of Oldest Inhabitants of the District of Columbia, passed by a unanimous vote at its meeting on January 1, 1939, there is transmitted the attached plea to Congress.

We respectfully request that this document be laid before the Senate, published in the Congressional Record, and referred to the

appropriate committees. Very respectfully,

THEODORE W. NOVES, President.

### A PLEA TO CONGRESS (By Fred A. Emery)

Delivered to and officially adopted by the Association of Oldest Inhabitants of the District of Columbia

As the old year fades into history and a new year is ushered in, the Association of Oldest Inhabitants, in the spirit of organized citizenship of Washington, presents its sincerest felicitations to the new Congress. It is a meed of tribute that we pay as a symbol of respect that the people of Washington have for orderly Government. It also is the occasion for a city of 627,000 people to remind Congress that it is within the power and duty of Congress to adopt a constitutional amendment to provide national representation in both Houses of Congress and in the Electoral College for the American tayparers of the greatest municipality College for the American taxpayers of the greatest municipality

on earth.

The taxpayers of Washington have the same sublime faith in Government, the same pure patriotism, the same home-loving spirit that Americans everywhere else have. And they, in the only national capital in the world whose people are denied the elective franchise, are of the same type of Americanism as the people back in the States. Washingtonians pay not only their way, but they do more than their part in the upkeep of the Federal Government. They pay in taxes more than each of 24 States and more than 9 of the States combined.

States and more than 9 of the States combined.

The responsible taxpayers of Washington trace their citizenship back through the provincial and colonial days, and they have the pride of a people whose civic activities hark back in history for 138 years through which the city of Washington, the District of Columbia, has been in process of development. We have surpassed the record of many States in patriotic response to every great emergency of the Nation. And today we are sublimely proud of the genius of our own people through whose activities there has been built up the great city of Washington, whose wondrous dignity and graceful lines are today the joy of the world.

## SYMBOL OF AMERICA

Today Washington, save for the disfranchisement of its tax-payers, is the symbol of America. And let no one gain the impression that Washingtonians live by the grace or indulgence of a paternalistic Federal Government. Washingtonians are self-sustaining. They pay for what they get as time marches on. They are bona fide Americans in all but the vote, which a tardy Congress still withholds. The taxpayers of Washington built up and made and maintain the city of Washington, save for those Federal areas whose every encroachment means less District revenue and more District taxation for the responsible taxpayers of Washington. of Washington.

Washington citizens maintain their metropolis on a magnificent scale in keeping with the dignity and prestige of a world capital.

They pay their own taxes and the taxes for the maintenance of the Government in every State in the Union. They pay their part toward the upkeep of the Federal Government for the benefit of the constituents of Congress in every community where flies the American flag. They pay not only their own taxes but the same Federal taxes that Americans everywhere else pay. They carry on with both local and Federal obligations in the fiscal burdens of a great National Government and the fiscal burdens of a great community which is their home and

Washington is not merely a Federal capital. It is a local municipality, a metropolis of Americans like Americans everywhere in the States. To every Federal pay roll, Washingtonians pay their share of the expense; to every branch of the Federal Government, they help pay the costs; they pay part and parcel of the costs wherever the American flag flies.

#### ALL OTHERS HAVE VOTE

Congress makes the laws of the District of Columbia and properly so under the greatest national Constitution in all history. The Treasury collects from the Washington taxpayers for every State and village in the United States; the Washingtonians pay their share of upkeep of every Federal department and agency on the same basis of levy as applies to everybody else in this broad land. But every other taxpayer has a vote and a voice in the halls of Congress. Washington taxpayers, doing more than their part in the upkeep of the Government, have no representation in the Federal Government. A constitutional amendment, which Congress could pass at this session if it would adopt the broadmindedness of our forefathers, would correct this Un-American disability. It is the old story of taxation without representation which was denounced by the elder statesmen of the greatest Republic on earth. The unfranchised taxpayers of Washington carry on, bearing the fiscal burdens of every Federal office in every State and their own community's, too.

Washington is not merely a Federal capital. It is a local municipality where vast areas are occupied by Federal buildings that are exempt from the taxable resources of the local government. Hundreds of thousands of people from every State and from every land come to Washington annually. They go through the magnificent buildings which a Federal Government generous to other people than Washingtonians has built here. I would remind these vast armies of visitors and Congress that we, too, here in Washington, the voteless taxpayers of the District of Columbia, help pay for these buildings and their upkeep and their personnel just as other taxpayers do.

DUTY TO TAKE ACTION Congress makes the laws of the District of Columbia and prop-

## DUTY TO TAKE ACTION

We are glad this is the Nation's Capital. It enhances our pride but not our taxable resources. We are glad the forefathers provided that Congress meet here. We are proud of Congress and present our felicitations to its Members in both branches. But we would like to remind Congress that Washington is a city hewn by the taxpayers of Washington, who are denied a vote which the constituents of Congress have and that everybody in the land has, to the injustice of our own people here.

Washington taxpayers play their part and pay their part. They pay their way and more, Federally as well as locally. It is the duty, and ought to be the patriotic privilege of every Member of both Houses of Congress, to take substantive action to provide a constitutional amendment for representation of the District in both Houses of Congress.

a constitutional amendment for representation of the District in both Houses of Congress.

We are proud of the acclaim of Washington as the greatest of all world capitals. We are proud of our metropolis as a dream city unparalleled anywhere. We are proud of being in a great city largely produced by the brain, the brawn, the patriotism, the genius, and the skill and the broad vision of our own people. We share some of this credit with the Congresses that have been with us ever since 1800. But, remember this, Washington is a city built up and maintained by Washington taxpayers. It is of and by the citizens of Washington.

#### REPORT OF SPECIAL COMMITTEE TO INVESTIGATE UNEMPLOYMENT AND RELIEF

On the 14th instant, under authority of the order of the Senate of January 12, 1939, Mr. Byrnes, from the Special Committee to Investigate Unemployment and Relief (under S. Res. 36, 75th Cong.), submitted a report on unemployment and relief (Rept. No. 2).

Mr. DAVIS and Mr. LODGE, as members of the Special Committee to Investigate Unemployment and Relief (pursuant to S. Res. 36, 75th Cong.), each submitted minority views on the subject of unemployment and relief, which were ordered to be printed as parts 2 and 3, respectively, of Senate Report No. 2.

## BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NORRIS:

S. 597. A bill to limit the jurisdiction of district courts of the United States; to the Committee on the Judiciary.

S. 598. A bill granting a pension to Allie Doll; to the Committee on Pensions.

By Mr. McNARY:

S. 599. A bill granting a pension to Phebe Wood; to the Committee on Pensions.

By Mr. LA FOLLETTE:

S. 600. A bill for a survey and examination of the Kickapoo River, Wis., with a view to the control of its floods; to the Committee on Commerce.

S. 601. A bill to amend an act approved December 17, 1928, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment thereon in claims which the Winnebago Tribe of Indians may have against the United States, and for other purposes";

S. 602. A bill for the relief of Marguerite Kuenzi;

S. 603. A bill for the relief of Robert Landeau, a minor;

S. 604. A bill for the relief of Lemke Construction Co.; to the Committee on Claims.

S. 605. A bill for the relief of Charlotte E. Hunter; to the Committee on the District of Columbia.

S. 606. A bill for the relief of Hugo Stamm; and

S. 607. A bill to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended; to the Committee on Indian Affairs.

S. 608. A bill to authorize the Secretary of War to furnish certain markers for certain graves; to the Committee on

Military Affairs.

By Mr. DAVIS:

S. 609. A bill for the relief of James Damiano and Adelaide Damiano; and

S. 610. A bill for the relief of Herbert H. Lauer; to the Committee on Claims.

S. 611. A bill granting a pension to Pearl V. Barclay; to the Committee on Finance.

S. 612. A bill for the relief of John A. Auge;

S. 613. A bill for the relief of Frank A. Smith; and

S. 614. A bill authorizing the appointment of John L. M. Des Islets as a first lieutenant in the Regular Army; to the Committee on Military Affairs.

S. 615. A bill granting a pension to Blanche Bassett;

S. 616. A bill granting a pension to Mary M. Diehl; and

S. 617. A bill granting an increase in pension to Lucy Killinger; to the Committee on Pensions.

By Mr. MALONEY:

S. 618. A bill granting a pension to Ada Louise Booth;

S. 619. A bill granting an increase of pension to Ida A. Joab; and

S. 620. A bill granting an increase of pension to Minnie M. Smith; to the Committee on Pensions.

By Mr. ANDREWS:

S. 621. A bill to fix the maximum rate of interest on loans secured by Government life-insurance policies; to the Committee on Finance.

By Mr. LODGE:

S. 622. A bill authorizing the construction of a new hospital and diagnostic center at or near Boston, Mass.; to the Committee on Finance.

S. 623. A bill authorizing appropriation for purchase of land at Fort Devens, Mass.; to the Committee on Military Affairs

By Mr. CLARK of Idaho:

S. 624. A bill granting a pension to William R. S. Lane; to the Committee on Pensions.

By Mr. McCARRAN:

S. 625. A bill to amend the Silver Purchase Act of 1934 to limit purchases under such act to domestically mined silver and to fix a minimum price for such purchases; to the Committee on Agriculture and Forestry.

S. 626. A bill to amend Public Law No. 383, Seventy-third Congress (48 Stat. L. 984), relating to Indians, by exempting from the provisions of such act any Indian tribe or reservation located in the State of Nevada; to the Committee on Indian Affairs.

By Mr. BURKE:

S. 627. A bill to extend time for completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.; to the Committee on Commerce.

By Mr. MEAD:

S. 628. A bill to allow the Home Owners' Loan Corporation to extend the period of amortization of home loans from 15 to 25 years; to the Committee on Banking and Currency.

S. 629. A bill conferring jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of Carl G. Allgrunn against the United States for the use of his invention in rifling guns during the war and thereafter by the Symington-Anderson Co. at Rochester, N. Y., said invention being shown and described in his Letters Patent No. 1,311,107, issued by the Patent Office of the United States on or about July 22, 1919; to the Committee on Claims.

S. 630. A bill for the relief of Paul Stolnitzky (also known as Max Stone) (with accompanying papers); to the Committee on Immigration.

By Mr. MURRAY:

S. 631. A bill to add certain lands to the Sequoia National Park, Calif.; to the Committee on Public Lands and Surveys.

By Mr. SCHWELLENBACH:

S. 632. A bill for the relief of Capt. James L. Alverson; and S. 633. A bill for the relief of Ray Wimmer; to the Committee on Claims.

S. 634. A bill to clarify the expatriation laws with regard to certain native-born citizens of the United States, and for other purposes; to the Committee on Immigration.

S. 635. A bill to amend section 315 of the Communications Act of 1934:

S. 636. A bill to add section 315 (a) to the Communications Act of 1934; and

S. 637. A bill to amend section 326 of the Communications Act of 1934; to the Committee on Interstate Commerce.

S. 638. A bill granting a pension to Ray Harris;

S. 639. A bill granting a pension to Leonard Claud Huntington:

S. 640. A bill granting a pension to Elsie H. Scharf;

S. 641. A bill granting a pension to Lottie B. Smith; and

S. 642. A bill granting a pension to Clyde R. Youngblood; to the Committee on Pensions.

S. 643. A bill authorizing the payment of necessary expenses incurred by certain Indians allotted on the Quinaielt Reservation, State of Washington;

S. 644. A bill to provide for the reopening of certain lands in the Colville Indian Reservation in the State of Washington

to entry under the mineral-land laws; and

S. 645. A bill to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation; to the Committee on Indian Affairs.

S. 646. A bill providing for the advancement on the retired list of the Army of Whitfield H. Cox;

S. 647. A bill for the relief of Walter Curry;

S. 648. A bill for the relief of Francis Gerrity:

S. 649. A bill for the relief of Presly Holliday, quartermaster sergeant, Quartermaster Corps, on the retired list, and for other purposes;

S. 650. A bill relative to the military record of Frank I. Otis, deceased; and

S. 651. A bill to provide for the protection and preservation of domestic sources of scrap steel; to the Committee on Military Affairs.

S. 652. A bill regulating the performance of work by the enlisted or commissioned personnel of the United States Navy, Army, and Coast Guard; to the Committee on Naval Affairs:

S. 653. A bill to authorize the addition of certain lands to the Wenatchee National Forest;

S. 654. A bill to include within the Kaniksu National Forest certain lands owned or in course of acquisition by the United States; and

S. 655. A bill to validate settlement claims established on sections 16 and 36 within the area withdrawn for the Matanuska Settlement Project in Alaska, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. BARBOUR:

S. 656. A bill to amend the Merchant Marine Act of 1936, relating to operation of vessels by private operators under agreements; to the Committee on Commerce.

By Mr. CAPPER:

S. 657. A bill for the relief of William Schick: to the Committee on Claims,

S. 658. A bill to aid in alleviating the loss caused by sickness; to the Committee on Finance.

By Mr. PEPPER:

S. 659. A bill to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal; to the Committee on Interoceanic Canals.

(Mr. LEE introduced Senate bill 660, which was referred to the Committee on Agriculture and Forestry, and appears

under a separate heading.)

By Mr. THOMAS of Oklahoma:

S. 661. A bill for the relief of Ida A. Deaver: to the Committee on Claims.

S. 662. A bill granting a pension to Carolyn M. Clawges; S. 663. A bill granting a pension to Wilber T. Lardie;

S. 664. A bill granting a pension to D. F. MacMartin; and S. 665. A bill granting a pension to Carrie L. Warner; to the Committee on Pensions.

S. 666. A bill for the relief of Roy Chandler; to the Committee on Military Affairs.

By Mr. MCKELLAR:

S. 667. A bill to aid in the rehabilitation of tenant farmers and sharecroppers, to provide credit facilities for the acquisition of farms and farm homes, to provide loans to farmers for crop production and harvesting, and for other purposes; to the Committee on Agriculture and Forestry.

S. 668. A bill requiring that persons holding certain positions under the United States be citizens of the United States;

to the Committee on Civil Service.

S. 669. A bill for the relief of Joe D. Dailey; S. 670. A bill for the relief of Dr. R. N. Harwood;

S. 671. A bill for the relief of the city of Memphis, Tenn.;

S. 672. A bill for the relief of Drs. W. S. Davis, P. A. Palmer, H. S. Oakes, and J. M. Ousley; to the Committee on Claims.

S. 673. A bill to extend the provisions of the Tennessee Valley Authority Act of 1933, as amended, to the Cumberland River and its basin; and

S. 674. A bill to authorize the submission to Congress of a comprehensive plan to provide local flood protection for the city of Nashville, Tenn.; to the Committee on Commerce.

S. 675. A bill to provide for the appointment of one additional circuit judge for the sixth judicial circuit;

S. 676. A bill to amend section 107 of the Judicial Code to create a mountain district in the State of Tennessee, and for other purposes; and

S. 677. A bill to establish a new judicial circuit of the United States, with a circuit court of appeals, hereafter to be called the eleventh circuit; to the Committee on the

S. 678. A bill authorizing the erection of a memorial statue of Andrew Jackson; to the Committee on the Library.

S. 679. A bill to provide for the formulation of a plan for the construction of certain through highways in the United States; to the Committee on Post Offices and Post Roads.

(Mr. Walsh, Mr. Lodge, Mr. Maloney, Mr. Danaher, Mr. AUSTIN, Mr. GIBSON, Mr. GERRY, Mr. GREEN, Mr. BRIDGES, Mr. Tobey, Mr. Hale, and Mr. White introduced Senate bill 680, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. SHEPPARD:

S. 681. A bill for the relief of Col. Ernest Graves; and S. 682. A bill relative to the military record of Charles C. Rascoe, deceased; to the Committee on Military Affairs.

By Mr. GUFFEY:

S. 683. A bill for the relief of Fae Banas; to the Committee on Claims.

By Mr. BARKLEY:

S. 684. A bill for the relief of Walter McKenzie; to the Committee on Claims.

S. 685. A bill to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes; to the Committee on Commerce.

S. 686. A bill authorizing the erection in the District of Columbia of a suitable terminal marker for the Jefferson Davis Highway: to the Committee on the Library.

S. 687. A bill for the relief of Robert Fraley; and

S. 688. A bill for the relief of Homer N. Horine; to the Committee on Military Affairs.

S. 689. A bill for the relief of Robert Thompson; to the Committee on Naval Affairs.

S. 690. A bill granting a pension to Jamaica Taylor:

S. 691. A bill granting a pension to Alexander Steele:

S. 692. A bill granting a pension to Thomas E. Morrison;

S. 693. A bill granting a pension to Gillis S. Mitchell:

S. 694. A bill granting an increase of pension to Joseph Burton;

S. 695. A bill granting a pension to Katherine Slusher;

S. 696. A bill granting a pension to George Dean;

S. 697. A bill granting a pension to Cora Arlena Ballard:

S. 698. A bill granting a pension to Dora McCallister:

S. 699. A bill granting a pension to Maggie Ball; S. 700. A bill granting a pension to Phina McCrary:

S. 701. A bill granting an increase of pension to Katherine C. Feland:

S. 702. A bill granting a pension to Dallie Baker;

S. 703. A bill granting a pension to Henry C. Field;

S. 704. A bill granting a pension to Anna Krebs;

S. 705. A bill granting a pension to George W. Gardner;

S. 706. A bill granting a pension to Minnie Harrison;

S. 707. A bill granting a pension to Juriah Hyden;

S. 708. A bill granting a pension to Mary Shelton;

S. 709. A bill granting a pension to Delia England;

S. 710. A bill granting a pension to Nancy V. Shipley; S. 711. A bill granting a pension to Frank House;

S. 712. A bill granting a pension to Philip T. West:

S. 713. A bill granting a pension to John C. Hounshell;

S. 714. A bill granting a pension to Mary Curry;

S. 715. A bill granting a pension to Margaret Moore:

S. 716. A bill granting a pension to Maggie Wilson;

S. 717. A bill granting a pension to Lucretia Woods;

S. 718. A bill granting a pension to Sarah Jane Lewis Langdon:

S. 719. A bill granting a pension to Lucinda Van Norsdel;

S. 720. A bill granting a pension to Gertrude Maurer;

S. 721. A bill granting a pension to John R. Sparks; S. 722. A bill granting a pension to Aleck Camlin;

S. 723. A bill granting a pension to Dora Short;

S. 724. A bill granting a pension to Wiley Roberts;

S. 725. A bill granting a pension to John Winn;

S. 726. A bill granting a pension to Lydia Ann Hollings-

S. 727. A bill granting a pension to Nancy C. Buck; S. 728. A bill granting a pension to Levi Sawyer;

S. 729. A bill granting a pension to Sam H. Hadley;

S. 730. A bill granting a pension to Gertrude Biggs;

S. 731. A bill granting a pension to Mattie Sebastian;

S. 732. A bill granting a pension to Daniel Wilson;

S. 733. A bill granting a pension to Ellanor Green;

S. 734. A bill granting a pension to John C. Bishop;

S. 735. A bill granting a pension to Harry L. Cox;

S. 736. A bill granting a pension to Ella Noe; S. 737. A bill granting a pension to Allen Nantz;

S. 738. A bill granting a pension to William M. Graham; S. 739. A bill granting an increase of pension to Marion M.

S. 740. A bill granting a pension to Elizabeth M. Runnels;

S. 741. A bill granting a pension to Viola Compton; and

S. 742. A bill granting a pension to Fieldon Adkins; to the Committee on Pensions.

By Mr. REYNOLDS:

S. 743. A bill to provide national flags for the burials of honorably discharged former service men and women; to the Committee on Military Affairs.

By Mr. LA FOLLETTE:

S. J. Res. 43. Joint resolution requesting the President to proclaim October 9 as Leif Erickson Day; to the Committee on the Judiciary.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT—REAPPORTION-MENT OF COTTON ACREAGE ALLOTMENTS

Mr. LEE. Mr. President, last year the Senate adopted an amendment to the Agricultural Act called the "frozen acres" amendment. It was for only 1 year's time. It has expired. The purpose of the amendment was to release certain acres to be reallotted. For instance, in my State of Oklahoma some 300,000 acres have been allotted for cotton, and the cotton farmer who did not want to use his allotment could not turn it back. This amendment gave them permission, and gave the Administration power, to reallot that acreage. It meant 235,000 acres in my State of Oklahoma, 100,000 acres in Texas, and 50,000 acres in Arkansas. It applied chiefly to that section of the country.

The amendment has expired by limitation, and I am at this time introducing an amendment in the form of a bill to extend its operation. I ask that the bill be referred to the Committee on Agriculture and Forestry, and hope that we may secure early action on it. Last year the amendment was adopted so late that many persons were not able to take advantage of its provisions. If we could expedite its adoption this year, it would be helpful to that section of the country. There is no objection to it from any source that I can find.

The VICE PRESIDENT. The bill will be received and referred as requested by the Senator from Oklahoma.

The bill (S. 660) to amend the Agricultural Adjustment Act of 1938, as amended, to provide for the reapportionment of cotton acreage allotments not planted by farmers entitled thereto was read twice by its title and referred to the Committee on Agriculture and Forestry.

## DISPOSITION OF FALLEN TIMBER IN NEW ENGLAND

Mr. WALSH. Mr. President, in behalf of myself and my colleagues from the New England States, I present a bill with reference to the disposition of the timber which has fallen in the New England region as a result of the recent hurricane, and I ask that the bill be printed in the RECORD and appropriately referred.

I also request that a letter addressed by myself and in behalf of the New England delegation to E. W. Tinker, of the Forest Service, be printed in the RECORD in connection with

The VICE PRESIDENT. Without objection, the bill will be received, appropriately referred, and printed in the RECORD, and the letter presented by the Senator from Massachusetts will also be printed in the RECORD.

The bill (S. 680) to authorize payment for certain timber products, and for other purposes (introduced by Mr. Walsh, Mr. Lodge, Mr. Maloney, Mr. Danaher, Mr. Austin, Mr. Gib-SON, Mr. GERRY, Mr. GREEN, Mr. BRIDGES, Mr. TOBEY, Mr. HALE, and Mr. White), was read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated the sum of \$5,000,000 for paying 10 percent of the approved schedules of prices for salvaged timber products purchased or to be purchased from the owners thereof by the Federal Surplus Commodities Corporation, Northeastern Timber Salvage Administration and for necessary administrative expenses in connection with the timber salvaging operations conducted by the Northeastern Timber Salvage Administration; said 10 percent being in addition to a payment of 90 percent of such schedules of prices made or to be made from funds loaned by the Disaster Loan Corporation to the Federal Surplus Commodities Corporation, Northeastern Timber Salvage The letter presented by Mr. Walsh is as follows:

THE HURRICANE TIMBER PROBLEM IN NEW ENGLAND

JANUARY 13, 1939.

Mr. E. W. TINKER.

United States Forest Service,

209 Washington Street, Boston, Mass.

MY DEAR MR. TINKER: I am writing you again concerning some of the difficulties in connection with the down-timber situation in

Massachusetts as a result of the hurricane.

Since the original program of the Government was announced providing for payment by the Government, at scheduled prices, of timber, after grading, and delivered at designated points, certain modifications, as you know, have been made. The agitation among many of the fallen-timber owners requesting the Government to pay 100 percent of scheduled prices instead of 80 percent has led to a new and recent regulation providing for the payment of 90 percent. percent.

percent.

It is now my purpose and that of other Members of the New England delegation to the Congress to ask for legislation appropriating the sum of \$5,000,000 for payment of the balance of 10 percent of approved scheduled prices for salvaged timber to be purchased from the owners thereof by the Federal Surplus Commodities Corporation. This, we hope, will induce more of the owners of fallen timber to undertake clearance of their woodland and conversion of the follow timber in a lower.

owners of fallen timber to undertake clearance of their woodland and conversion of the fallen timber into logs.

The President, as you also know, has requested, through the Budget, \$5,000,000 to be expended in removing fire hazards. I assume this money will be spent for clearing along highways, open spaces, and other localities where there is danger of fire. I do not understand this money, when appropriated, will in any way be used for salvaging the losses of the owners.

We, representing New England in the Congress, are still troubled, however, about the plight of a considerable number of owners of

We, representing New England in the Congress, are still troubled, however, about the plight of a considerable number of owners of down timber. It has been the practice in many parts of Massachusetts for the owners of timber to sell it on the stump either in the lump or by the thousand, and for the buyer to do the actual logging. Many owners are not in a position either to log themselves or to secure services to operate their lots and thereby take advantage of the Government's offer. They either have had no experience in such matters or are elderly people quite incapable of supervising the logging operations or their lots are so located as to make some operations very expensive. In many instances there seems to be a lack of contractors, and the owners do not know how to secure contractors from outside the State or other area. These seems to be a lack of contractors, and the owners do not know how to secure contractors from outside the State or other areas. These people are in a paralyzed state as far as hiring, contracting, and supervising the logging operations are concerned. They are not asking that the losses entailed by the hurricane be made up by the Government. They are, however, asking the Government to help them secure stumpage value for their fallen timber.

I understand you have authority to either buy the logs as announced or you may purchase the fallen timber of the stump. I am now writing to urge that you take advantage of this discretionary power and arrange, if possible, to give a fair stumpage value to the owners of small woodlands—those owners (you might restrict to those possessing a definite small acreage) who have not

restrict to those possessing a definite small acreage) who have not the facilities nor the money to clear their lots and convert the timber into logs without an expense that would result in some loss, in addition to the loss they have already sustained by reason

of the hurricane.

of the hurricane.

To those who are accustomed to logging operations and who have large holdings, the payment of 100 percent of scheduled prices by the Government would be reasonably satisfactory, but this does not meet all the requirements of the situation and, in the instance of the small-lot owners, is no encouragement to go to additional expense to clear their lots. In fact, they are financially unable to do it. Failure to do so means, beside the fire hazard, a reversion of much of the land to the towns for taxes.

Let me add my appreciation of your efforts to be helpful in this situation, for I can well understand that the problem of this kind

situation, for I can well understand that the problem of this kind was entirely new to the agencies of the Federal Government and that the New England problem—New England not being a natural logging center—is especially difficult to handle as the problem here relates to a system of logging that has been largely on the basis of buying logs on the stump. If we had a few large timber com-panies with which to deal, the problem would be easy of solution, but with thousands of small, scattered, and unorganized owners, the problem is unusual and unlike any heretofore confronted in compensating for loss of timber.

May I have your views with respect to the suggestions about the exercise of your discretion as outlined above?

Sincerely yours,

DAVID I. WALSH.

## HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 83) making an additional appropriation for work relief and relief for the fiscal year ending June 30, 1939, was read twice by its title and referred to the Committee on Appropriations.

## APPROPRIATIONS FOR WORK RELIEF AND RELIEF—AMENDMENTS

Mr. HATCH. I submit and send to the desk certain amendments intended to be proposed to House Joint Resolution 83, which is the relief joint resolution. The proposed amendments were recommended by the report of the Special Committee on Unemployment and Relief. I also send to the desk one additional amendment, and I ask that they all be referred to the Committee on Appropriations and be printed.

The VICE PRESIDENT. Without objection, it is so

ordered.

The amendments submitted by Mr. HATCH intended to be proposed to the joint resolution (H. J. Res. 83) making an additional appropriation for work relief and relief for the fiscal year ending June 30, 1939, are as follows:

an additional appropriation for work relief and relief for the fiscal year ending June 30, 1939, are as follows:

At the proper place, to insert the following:

"Sec. — (a) It shall be unlawful for any person to solicit or be in any manner concerned in soliciting, any assessment, subscription, or contribution for any political purpose whatever from any person entitled to or receiving compensation, employment, or other benefit provided for or made possible by the Emergency Relief Appropriation Act of 1938 or this joint resolution.

"(b) Any person who violates any provision of this section shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both."

At the proper place, to insert the following:

"Sec. — (a) It shall be unlawful for any person employed in any administrative or supervisory capacity by any agency of the Federal Government, whose compensation or any part thereof is paid from funds authorized or appropriated by the Emergency Relief Act of 1938 or this joint resolution, to use his official authority or influence for the purpose of interfering with an election, or affecting the results thereof. All such persons shall retain the right to vote as they please and to express privately their opinions on all political subjects, but they shall take no active part in political management or in political campaigns.

"(b) Any person violating the provisions of this section shall be immediately removed from the position or office held by him, and thereafter no part of the funds appropriated by the Emergency Relief Act of 1938 or this joint resolution shall be used to pay the compensation of such person."

At the proper place to insert the following:

"Sec. — (a) It shall be unlawful for any person, directly or indirectly, to offer or promise any employment, position, work, compensation, or other benefit, provided for or made possible by the Emergency Relief Appropriation Act of 1938 or this joint resolution, or other benefit, provided for

party in any election.

"(c) Any person who violates any provision of this section shall be guilty of a felony and upon conviction shall be fined not more than \$1,000 or imprisoned for not more than one year, or both."

## SUSPENSION OF THE RULES-CALENDAR DAY'S NOTICE

Mr. PITTMAN submitted the following resolution (S. Res. 58), which was referred to the Committee on Rules:

Resolved, That rule XI of the Standing Rules of the Senate be, and it is hereby, amended by adding at the end thereof the

following:

"The one day's notice required hereunder in the case of a proposed suspension of a rule or part thereof shall be deemed to mean a calendar day's notice."

## ELIZABETH PINKETT

Mr. RADCLIFFE submitted the following resolution (S. Res. 59), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Elizabeth Pinkett, widow of James F. Pinkett, late a laborer in the office of the Secretary of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

#### SENATE SPECIAL SILVER COMMITTEE-ADDITIONAL MEMBERS

Mr. PITTMAN. Mr. President, the Senate Special Silver Committee, operating under Senate Resolution 187, Seventyfourth Congress, first session, proposes to hold hearings within a few days, and I therefore ask unanimous consent that the following-named Senators be added to the membership of that committee: The Senator from Delaware [Mr.

TOWNSEND], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Colorado [Mr. Johnson], and the Senator from Minnesota [Mr. SHIPSTEAD].

There being no objection, the request of the Senator from Nevada [Mr. Pittman] was agreed to in the form of an order, as follows:

Ordered, That the Senator from Delaware [Mr. Townsend], the Senator from Maryland [Mr. Radcliffe], the Senator from Colorado [Mr. Johnson], and the Senator from Minnesota [Mr. Shipstead be appointed additional members of the Senate Special Silver Committee.

#### ANNIVERSARY OF ENACTMENT OF CIVIL-SERVICE LAW

Mr. WALSH. Mr. President, this week marks the fiftysixth anniversary of the signing of the National Civil Service Act. Several Members of the Congress have been asked to state their views with respect to the merit system in the public service, which commenced with the original law and has been expanded and extended to the present time.

I ask to have printed in the RECORD a statement issued by me, at the request of the American Federation of Government Employees, on the subject of the merit system.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

On the occasion of the celebration of Civil Service Week I am pleased to comply with your request to submit my opinion respect-

ing the merit system.

The alternative to the selection of Government officials according The alternative to the selection of Government officials according to definite standards after examination and on strict merit is to choose them according to the methods of the old spoils system, so-called because it enunciated and carried into practice the doctrine "to the victor belongs the spoils." Under this system, generally in vogue during the early life of the Republic and at the present time in some States and Federal bureaus, persons were appointed to positions for no other reason than that they happened to be members of a victorious political party or had worked for the success of its leaders. Important Government offices and positions filled on this basis alone without reference to the training, character, and capacity of appointees was certain to produce unfavorable results in the operation of Government machinery. Misfits, castoffs, and hopeless incompetents, persons without a semblance of aptitude for their jobs, could not be expected to make for efficient functioning of government. To the contrary, their incompetence and inaptitude frequently led to serious blunders and, in the case of departments requiring more technical skill, a complete breakof departments requiring more technical skill, a complete break-down and administrative failure.

Discerning and altruistic spirits, who believed in honest and

Discerning and altruistic spirits, who believed in honest and efficient government and who realized the inequities of the spoils system, early began a campaign to establish the merit principle as a substitute for "spoils" in public appointments. Contending against them were alined the powerful forces of greedy political organizations and leaders, who were reluctant to give up patronage enabling them to appoint incompetent satellites to fruitful positions in the Government agencies and who scoffed at civil service as the aim of misguided reformers. Whenever in the Federal or State service a particular political party has been overwhelmingly in control, opposition to the merit system usually prevails.

To the everlasting credit, the good sense, and judgment of our American citizenry, however, the merit system gained a firm foothold in this country because of the appeal it made to believers in intelligent, well-conducted, honest government. It has been continually broadened, especially where political control has not been

tinually broadened, especially where political control has not been one-sided, so that now it embraces a substantial field of Government employment—Federal, State, and local.

ment employment—Federal, State, and local.

Though the opposition to the merit principle is strong and powerful, even at present among some in elective public office and their henchmen who cannot use it for their own ends, public sentiment is insistent not only upon the fullest measure of protection for the civil service but also is intent upon extending its scope to cover a larger part of public employment. The British have given us a striking example of the beneficial results which flow from a broadly applied, honestly administered merit system, where neither favoritism, bias, nor corruntion can intervene to thwart the high purposes applied, nonestly administered ment system, where neither favoritism, bias, nor corruption can intervene to thwart the high purpose of honest and efficient government. It is unquestioned that recognition by the British of education, character, and fitness in the selection of public employees is responsible for the remarkably impartial and successful discharge of Government business which has redounded the world over to the benefit of the British Empire.

In our own country, unfortunetly, the experience and treatment.

redounded the world over to the benefit of the British Empire.

In our own country, unfortunately, the experience and treatment of civil service has frequently been most discouraging. Political manipulation has been too often permitted to nullify the spirit and intention of these commendable laws. This has been made possible in various ways—reposing too much discretion in administrative officials to alter regulations, thereby enabling discrimination against the highest on the register; noncompetitive examinations and provisional appointments and other exemptions, the use of which results in the appointment of the less qualified or the downright incompetent, simply because they have rendered political assistance

to the appointing powers. Failure to extend the scope of civilservice laws to cover a larger proportion of public positions is another grave shortcoming which ought to be remedied forthwith. Of reassuring and hopeful import, however, is the strong tide of public opinion running with impartial application of the merit system. Our people have apparently concluded that within this principle lies the hope for weeding out inefficiency, incompetency, and dishonesty in the public service and insuring to every man and woman an equal opportunity to enter the field of governmental employment upon a basis of qualification, aptitude, and capacity for the position they seek.

for the position they seek.

Notwithstanding the progress that has been made, there is much room for improvement. Many political hacks still hold positions to which duly qualified persons on civil-service registers are entitled. The task for sincere friends of the merit system is to continue the battle in National and State legislatures until we succeed not only in ousting the incumbent unfit where it is possible but in prevent-ing the appointment to the Government service of such persons

in the future.

Equality of opportunity, reward of capacity, work, and qualifications are inherent to democracy. By insistent advocacy of an enlarged and impartially administered civil service, we can do much to render our Government impregnable against inefficiency, waste, and corruption.

#### SOCIAL SECURITY

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Finance, as follows:

To the Congress of the United States:

Four years ago I sent to the newly convened Congress a message transmitting a report of the Committee on Economic Security. In that message I urged that Congress consider the enactment into law of the program of protection for our people outlined in that report. The Congress acted upon that recommendation and today we have the Social Security Act in effect throughout the length and breadth of our country.

This act has amply proved its essential soundness.

More than two and one-half million needy old people, needy blind persons, and dependent children are now receiving systematic and humane assistance to the extent of a half billion dollars a year.

Three and a half million unemployed persons have received out-of-work benefits amounting to \$400,000,000 during

the last year.

A Federal old-age insurance system, the largest undertaking of its kind ever attempted, has been organized and under it there have been set up individual accounts covering 42,-500,000 persons who may be likened to the policyholders of a private insurance company.

In addition there are the splendid accomplishments in the field of public health, vocational rehabilitation, maternal and child welfare and related services, made possible by the

Social Security 'Act.

We have a right to be proud of the progress we have made in the short time the Social Security Act has been in operation. However, we would be derelict in our responsibility if we did not take advantage of the experience we have accumulated to strengthen and extend its provisions.

I submit for your consideration a report of the Social Security Board, which, at my direction and in accordance with the congressional mandate contained in the Social Security Act itself, has been assembling data, and developing ways and means of improving the operation of the Social Security Act.

I particularly call attention to the desirability of affording greater old-age security. The report suggests a two-fold approach which I believe to be sound. One way is to begin the payment of monthly old-age insurance benefits sooner, and to liberalize the benefits to be paid in the early years. The other way is to make proportionately larger Federal grants-in-aid to those States with limited fiscal capacities, so that they may provide more adequate assistance to those in need. This result can and should be accomplished in such a way as to involve little, if any, additional cost to the Federal Government. Such a method embodies a principle that may well be applied to other Federal grants-in-aid.

I also call attention to the desirability of affording greater protection to dependent children. Here again the report suggests a two-fold approach which I believe to be sound. One way is to extend our Federal old-age insurance system so as to provide regular monthly benefits not only to the aged but also to the dependent children of workers dying before reaching retirement age. The other way is to liberalize the Federal grants-in-aid to the States to help finance assistance to dependent children.

As regards both the Federal old-age insurance system and the Federal-State unemployment compensation system. equity and sound social policy require that the benefits be extended to all of our people as rapidly as administrative experience and public understanding permit. Such an extension is particularly important in the case of the Federal old-age insurance system. Even without amendment the old-age insurance benefits payable in the early years are very liberal in comparison with the taxes paid. This is necessarily so in order that these benefits may accomplish their purpose of forestalling dependency. But this very fact creates the necessity of extending this protection to as large a proportion as possible of our employed population in order to avoid unfair discrimination.

Much of the success of the Social Security Act is due to the fact that all of the programs contained in this act—with one necessary exception-are administered by the States themselves, but coordinated and partially financed by the Federal Government. This method has given us flexible administration and has enabled us to put these programs into operation quickly. However, in some States incompetent and politically dominated personnel has been distinctly harmful. Therefore, I recommend that the States be required, as a condition for the receipt of Federal funds, to establish and maintain a merit system for the selection of personnel. Such a requirement would represent a protection to the States and citizens thereof rather than an encroachment by the Federal Government, since it would automatically promote efficiency and eliminate the necessity for minute Federal scrutiny of State operations.

I cannot too strongly urge the wisdom of building upon the principles contained in the present Social Security Act in affording greater protection to our people, rather than turning to untried and demonstrably unsound panaceas. As I stated in my message 4 years ago: "It is overwhelmingly important to avoid any danger of permanently discrediting the sound and necessary policy of Federal legislation for economic security by attempting to apply it on too ambitious a scale before actual experience has provided guidance for the permanently safe direction of such efforts. The place of such a fundamental in our future civilization is too precious to be jeopardized now by extravagant action."

We shall make the most orderly progress if we look upon social security as a development toward a goal rather than a finished product. We shall make the most lasting progress if we recognize that social security can furnish only a base upon which each one of our citizens may build his individual security through his own individual efforts.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 16, 1939.

[Note: Report accompanied similar message to the House of Representatives.]

PROPOSED AMENDMENT OF SOCIAL SECURITY ACT-ADDRESSES BY SENATORS WAGNER AND VANDENBERG

Mr. VANDENBERG. Mr. President, the first of the messages submitted by the President today deals with proposed amendments to the Social Security Act. The able senior Senator from New York [Mr. Wagner] and I engaged in a joint public discussion last evening of several of the controversial points contemplated in the program for amendment of the Social Security Act. I think it would throw some additional light on these controversies if both of these addresses might be printed in the body of the RECORD in connection with the President's message, and I ask that they be so printed.

The VICE PRESIDENT. Is there objection?

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

#### THE FUTURE OF SOCIAL SECURITY (By Senator ROBERT F. WAGNER)

(By Senator ROBERT F. WAGNER)

Ever since the dawn of civilization the quest for security has been a driving force in the life of man. The factory era brought countless blessings, but in its wake came problems of insecurity more serious than we had ever known. More and more the individual wage earner found himself the victim of economic forces beyond his control; more and more he sought protection against the major hazards of industrial life—accidents, unemployment, industrial and control to the control of the

beyond his control; more and more he sought protection against the major hazards of industrial life—accidents, unemployment, sickness, and old-age destitution.

Social security took root in America over a quarter of a century ago, when my pioneer workmen's compensation law in New York laid the basis for all that has since developed. The World War put a temporary stop to further extensions of the social insurance principle, and for many years thereafter reactionary national leadership dashed all hope of progress.

In 1933, saddled with a legacy of economic and social neglect, we took up the task of reconstruction. My proposal for an effective system of public employment offices was finally adopted. The soup kitchen and the breadline gave way to self-respecting work for the needy unemployed. And in 1935, under the inspiring leadership of President Roosevelt, the Social Security Act, which I had sponsored, was written upon the statute books. Never before in a single statute has America made such enormous gains in social justice and human rights.

The law was never put forward as the final and complete answer to the challenge of insecurity; it was never claimed to be more than a substantial beginning. In the light of the riper wisdom of today, we ask ourselves this question: What can be done now to make social security more liberal, more extensive, and more complete?

complete?

To meet the urgent needs of those unable to help themselves, we have provided substantial grants for old-age pensions, maternal and child welfare, and the care of the crippled and the blind. These grants should now be liberalized, and the combined resources of State and Nation made more effective. We cannot allow privation to frustrate the development of our youth. We cannot shirk responsibility for the millions of our people now in the

winter of their lives.

In building for the long future, we have established old-age insurance accounts for 42,000,000 citizens. Detailed suggestions for improvement are now available in a recent report by the advisory council, representing employers, employees, and the public.

we must extend the law to millions now outside its terms, thus hastening the day when all groups of the population will enjoy the protection of insurance as a matter of earned right. We must adjust old-age benefits to family needs, by providing for the dependent wives, widows, and children of insured workers. We must include within the old-age benefit system workers who become totally and permanently disabled before the age of retirement. We must begin benefit payments in 1940, and increase the average benefits for insured workers now in middle age.

These changes can and should be put into effect now. They would take us a long way toward our goal of adequate old-age security for every American family.

By increasing the flow of benefits in the early years of the program, we will greatly simplify our problem of handling the old-age insurance reserve. Eventually, the advisory council recommends, the reserve may be still further reduced and pay-roll taxes readjusted, by substantial Government contributions derived from general revenues.

from general revenues.

This recommendation, going to the long-range financing of the program, seems to me eminently sound from the standpoint of social policy and fiscal management. But whatever the outcome of further study and experience may be, none of our previous steps need to be retraced.

steps need to be retraced.

The financing of the old-age-insurance system raises problems which stagger the imagination. It cannot be guided by the loose fiscal policies of competing old-age panaceas. In the words of the advisory council: "No benefits should be promised or implied which cannot safely be financed, not only in the early years of the program, but when workers now young will be old."

The investment of old-age reserve funds has long been a controversial issue. The council's report settles that controversy. It finds that "the present provisions regarding the investment of the moneys in the old-age reserve account do not involve any misuse of these moneys or endanger the safety of these funds." That judgment is a complete answer to those who have sought to undermine the public confidence in the fundamental honesty of the Congress and the Treasury of the United States. Although the council now suggests that a special trust be established, the funds will continue to be invested in United States Government bonds—the safest investment in the whole world.

will continue to be invested in United States Government bonds—
the safest investment in the whole world.
Adequate provision for the aged is of major importance, but it
is only one of several vital social services. None of these services
should be expanded at the expense of the others; none of them
can be neglected without creating an added drain upon the rest.
Their development should be the product, not of the expediencies
of the moment, but of their respective roles in our social system.
That is the way to ultimate economy of material and human
resources. It presents a challenge to statecraft which cannot be
ignored.

ignored.

More than 25,000,000 wage earners are now protected by unemployment insurance. Our original choice of administration through the States still seems to me a wise one, but it is only fair to recognize the problems which remain unsolved. The launching of such a vast new system, difficult under all favorable circumstances, has been complicated by the economic stress of the past few years. Many of these administrative problems will be resolved by further experience, by improved personnel, and by simplifying amendments as to coverage and taxation. But I believe that basic improvement must come through basic revision of our concepts for determining and paying benefits.

and paying benefits.

Unemployment, equally with old age, is a matter of national concern. We cannot wash our hands of the responsibility for the proper functioning within the States of our first line of defense against unemployment. The time seems at hand for defining a few fundamental standards to which State laws shall conform. Given reasonable latitude for local conditions, such standards will contribute to smoother administration, to a better understanding by workers of their benefit rights, and to a socially sounder distribution of benefit payments.

I have spoken thus far of improvements in what has already been achieved. There are two fields in which we need to begin at the beginning. The first is a workmen's compensation law for our great interstate transportation systems, a reform which I have

our great interstate transportation systems, a reform which I have

been advocating for many years.

The second is a national health program. Historically, health protection came first in the development of social security abroad; for us, it remains a wholly unsolved problem in social legislation. At the National Health Conference recently held in Washington, a scommittee of experts presented a comprehensive and unchallenged statement of our national health needs, and a blueprint for congressional action. In the near future, I propose to introduce a bill to carry out their recommendations. The health needs of our can no longer be ignored.

people can no longer be ignored.

In all that we do, we must maintain the nonpartisanship that governed the consideration of the social security law in Congress and controls its administration today. By requiring State personnel handling social-security funds to be selected under the merit system, we can remove the last possibility of partisan misuse.

The American people are united in their determination to complete the structure of social security. They are united in seeking their objective through the orderly methods of democracy. So long as that spirit of unity prevails, the future of social security is bright, and bright is the future of America.

#### THE SOCIAL SECURITY ACT (By Senator ARTHUR H. VANDENBERG)

(By Senator Arthur H. Vandenberg)

The Social Security Act is a great adventure in humanity. I am entitled to speak of it in a spirit of sympathetic interest because I voted for its passage, despite its manifest infirmities. But the fact that I did vote for it entitles me—aye, challenges me—to be wholly frank about these infirmities. The best friend of social security is he who seeks realistically to cure these infirmities. Otherwise, they are bad enough finally to be fatal to the whole enterprise.

Some critics of the Social Security Act like Abraham Epstein, the veteran executive of the American Association for Social Security, think the act has been a failure so far as social security is concerned and a border-line fraud so far as taxation is concerned. Epstein bluntly says: "Only a national demand for constructive revision

bluntly says: "Only a national demand for constructive revision may alleviate the dangers and convert the act into a measure which will not only adequately meet the pressing needs of those for whom it was devised, but also promote the welfare of the Nation as a whole."

I prefer to content myself with saying that so tremendous an enterprise could not possibly be launched in completely sound and efficient form; that its inauguration has been an enormously difficult job, relatively well done under the circumstances; but that the infirmities are now so obvious and so menacing as to make the postponement of their correction rationally indefensible. It is no longer reasonable to plead the glory of the objective as an excuse to ignore the importance of frank admission that some dangerous

ignore the importance of frank admission that some dangerous mistakes have been made in some basic sections of the law.

Social security should be ultimately expanded to great employee groups not now covered. There is an element of undemocratic discrimination in the existing limitations which virtually create specially privileged groups. But the existing system should be overhauled, shorn of palpable infirmities, and put on firm foundation before any new expansions are considered. Let us perfect what we have before we enlarge the jurisdiction of an unperfected system. No one could remotely hope to deal with the whole Social Security Act in 15 minutes. Its ramifying details would require nearer 15 hours. But the act finally stands or falls on its old-age benefits and its unemployment insurance. Therefore I confine this discussion to the former—old-age benefit payments under title II for which some 40,000,000 employees are now paying 1 percent of their wages, which their employers match with another 1 percent. Under the existing law, this tax increases to 1½ percent on each in 1940, or a total of 3 percent; to 4 percent in 1943; to 5 percent in 1946; and to 6 percent in 1949 and thereafter. It ultimately involves the accumulation of the famous—infamous will be a better adjective—full reserve of \$47,000,000,000.

volves the accumulation of the lamous—infamous will be a better adjective—full reserve of \$47,000,000.00.

I challenge this section of the law on the following grounds:

(1) A full reserve is unnecessary in a public, tax-supported pension system which ought to operate essentially on a pay-as-yougo basis with only a contingent reserve for emergencies. Therefore most of this \$47,000,000,000 is needlessly mulcted from the pay

envelopes of the country during the next 4 decades. It is a colossal

imposition.

(2) This full reserve is not necessary to the safety of the oldage pension system. It did not enter the law primarily for social-service purposes. It was and is a Treasury device to cushion general

service purposes. It was and is a Treasury device to cushion general deficits. It results in the diversion of vast trust funds to pay for general Federal spending so long as we have an unbalanced Budget.

(3) Because the full reserve costs so much, social security itself does not have money enough left to pay adequate, or even reasonable, old-age pensions to workers now in middle age, and it postpones too long the beginning of even these relatively meager payments. If the full reserve be abandoned larger benefits can start at an earlier date; and yet the pay-roll taxes on 4,000,000 workers and their employers can be frozen at existing levels and saved from the impending increase of 50 percent in 1940 and

200 percent in 1949.

200 percent in 1949.

If this challenge is substantially justified, then the primary congressional duty in respect to the Social Security Act is to promptly launder it as indicated. This is due the middle-age workers who otherwise will receive only a pittance at age 65; for example, the average benefit payment in 1942 will be only about \$18 a month as compared with \$46 a month in 1980. It is due the 40,000,000 workers upon whom the pay-roll tax falls in the nature of a gross-income tax; and this tax should not be one penny more than necessary to social security itself. It is due the employers of the country, many of whom, in smaller business, are already desperately harassed by their share of the existing 2-percent tax, and who may easily be forced to the wall by their share of the increased burden as the tax graduates upward to 6 percent. of the increased burden as the tax graduates upward to 6 percent. It is due to candor and conscience in the conduct of public finance. It is due the long-range success and stability of social security itself.

It is due the long-range success and stability of social security itself.

The present theory of the law is that as this full reserve is developed and invested in special 3-percent United States bonds, the interest on it will ultimately supplement current pay-roll tax revenues sufficiently to pay the contemplated benefits. All right, now let's project ourselves to 1980 when the full reserve climaxes at \$47,000,000,000 (an utterly astronomical figure). Let's call it fifty billions for easy figuring (for what difference does three billions one way or the other make in this present dispensation). That year, the general taxpayer has to dig up \$1,500,000,000 to pay the 3-percent interest on the fifty billion full reserve. Social security thereupon gets \$1,500,000,000 to disburse, along with pay-roll taxes, in old-age benefits. In other words, the general taxpayer actually has contributed \$1,500,000,000 to old-age benefit payments that particular year. He has contributed it in the form of interest on bonds in the full reserve. It would cost the general taxpayer no more, and the social-security fund would be equally well off, if this \$1,500,000,000 were a direct contribution to social security. But in that event—and here is the vital point of it—it would never have been necessary to collect the fifty billions of taxes of a substantial particular of it worth. reserve at all

reserve at all.

Is fifty billions of taxes, or a substantial portion of it, worth saving during the next four decades? Yes. Is the Government justified, in the name of social security, in needlessly taking fifty billions, or a substantial portion of it, out of the pocket of the employers and employees of the Nation? No. Should the fundamental structure of the Social Security Act be accordingly immediately changed? Yes.

Now let's we what would be the immediate effects of eliminating.

Now let's see what would be the immediate effects of eliminating the full reserve and substituting a real contingent reserve of, say,

five instead of fifty billions.

five instead of fifty billions.

In the first place, much more of current pay-roll-tax revenues would be available to pay old-age benefits. Note that tax collections through to last new year's were \$966,000,000, while benefit payments were only \$11,000,000. Out of every dollar collected only a little more than 1 cent went to old-age benefits. The rest went into this full reserve. Of course, the percentage paid in benefits will sharply increase after 1942, when the benefit payments are in full swing. But this demonstrates, even though in exaggerated form, the awful appetite of this full reserve. Obviously, if we were aiming only at a contingent emergency reserve, we could legitimately and prudently use more of the \$966,000,000 for earlier and more adequate benefit payments for the present generation. That is what equity demands if social security for the present generation is to be more than an oratorical aspiration; and that is what must be done constructively and within reason if we are not to be swept into some wholly fantastic formula which will be destructive and without reason.

But there is even more to the story. If we abandon the full

destructive and without reason.

But there is even more to the story. If we abandon the full reserve monster, we can keep pay-roll taxes where they are for a considerable time to come. We can avoid the 50-percent increase next year and the 200-percent increase next decade. Indeed, the Social Security Board's own chief actuary declared in October 1935:

"Were the reserve plan abandoned, without immediate increase in the present scale of benefits, initial contribution rates of one-half percent from employer and employee (instead of 1 percent) advancing slowly to a maximum of 2½ percent (instead of 3 percent) after 20 years (instead of 10) would meet apparent benefit requirements for a long time."

There can be no doubt the soundness of these conclusions.

requirements for a long time."

There can be no doubt the soundness of these conclusions. Seventy of the leading life-insurance executives of the country have declared that the full reserve is unnecessary—and they ought to know. The splendid advisory council, which evolved from a Senate resolution which I introduced 2 years ago, and which has just filed a brilliant report, declares that "with the introduction of a definite

program of governmental contributions, \* \* the size of the old-age insurance fund will be kept within much lower limits"; and several members of the council specifically agree that pay-roll taxes should stop where they are until we know more definitely what the system ultimately will require.

The truth of the matter is that this full reserve got into the law for an ulterior reason. The actuarial advisers of the President's Committee on Economic Security were a unit against it. But the President insisted and the House Ways and Means Committee yielded when Secretary of the Treasury Morgenthau frankly told it on February 5, 1935, that the device was advisable not for social security but to "retire a large part of the public debt." In other words, it was, and is, frankly, a device to help a hard-pressed Treasury. The money collected in pension taxes goes into I O U's so far as the books are concerned, but it goes into paying the general bills of a spendthrift government so far as the cash itself is concerned. This is a perfectly legal subterfuge, but it is a travesty upon intellectual honesty in dealing with what the advisory council says should be "specifically made a trust fund." Furthermore, a continuation of the existing law with its full reserve automatically requires a permanent national bonded debt of \$47,000,000,000,000 at cally requires a permanent national bonded debt of \$47,000,000,000 at a minimum, and thus it is a convenient recourse for the boot-strap lifters who think that a perpetual spending spree is the way to

solvency and sound prosperity.

To sum up this specific fundamental, the Social Security Actshould be sharply amended to put old-age pensions on a pay-asyou-go basis; to eliminate the full reserve which is a leech particularly upon the present generation and a menace to sound public finance; to stop the increase in pay-roll taxes scheduled to start in 1940; and yet to permit, within reason, an equitable readjustment of old-age benefits so that the beneficiaries in this generation shall not be penalized in favor of future generations.

We must keep old-age pensions within the fiscal ability of the

Government to support them. It does no good to create new social benefits if we destroy a solvent society in which to enjoy them. There can be no golden eggs from a dead goose. On the other hand,

benefits if we destroy a solvent society in which to enjoy them. There can be no golden eggs from a dead goose. On the other hand, it is equally indefensible to impound pension revenues, gained from needlessly high pay-roll taxes, for the purpose of creating a needless reserve which, in its very nature, robs today's generation of a fair and decent pension schedule—and that is precisely the state of things under the Social Security Act as it exists today.

In this limited period I have been able to discuss but one typical phase of the Social Security Act. I submit that it demonstrates, upon the basis of incontrovertible authority, that what the great ideal of social security requires is less enthusiasm over a notable objective and more serious and practical consideration to constructive details. It is not enough to dream. The important thing is to make these dreams dependably come true. They are not coming true—so far as today's generation is concerned—under title II of the existing Social Security Act. But they can come true, in more realistic degree, if the act is changed as I have indicated, and this method of dealing realistically with title II is the process which must be pursued in connection with the whole act. It was not born perfect: and the quicker we frankly recognize this fact, the better off social security in the United States will be.

## FEDERAL REAL ESTATE BOARD-STATE AND LOCAL TAXATION

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Finance, as follows:

## To the Congress of the United States:

At a meeting of the National Emergency held December 17. 1935, I designated the Secretary of the Treasury, the Attorney General, and the Acting Director of the Bureau of the Budget to serve as a committee to make a study of Federal ownership of real estate and of its bearing on State and local taxation. This study has been completed, and I am transmitting herewith for your information and such further use as you may deem desirable the report of the committee and the accompanying tables and charts.

It will be noted that the report concludes with the following recommendations:

(1) That all branches of the Federal service be directed to declare completely, accurately, and promptly their surplus land and improvements, in order that a prudent use for such properties may be found or that they may be offered for sale.

(2) That the Procurement Division of the Treasury Department continue to maintain a current permanent record of all Federal real estate in order that there may be constantly on file available and dependable information with respect thereto.

(3) That there should be constituted a Federal Real Estate Board composed of a representative from each of the governmental agencies in charge of considerable holdings of Federal income-production property, a representative from the Procurement Division, and a representative from the Procurement Division, and a representative from the Procurement Division, and a rep-

property, a representative from the Procurement Division, and a representative from the Bureau of the Budget. The duty of this Board should be to study and make recommendations regarding the situation existing in individual communities adversely affected by the purchase of substantial amounts of land and their consequent removal from the regular tax rolls of the county or other taxing

district; to advise with Federal agencies contemplating the acquisition of additional real estate; and to submit recommendations regarding the disposition of lands that are essentially in the nature of surplus property.

I have approved of the recommendations of the committee; and in order to put them into effect, I have issued an appropriate Executive order establishing the Federal Real Estate Board and providing for the maintenance by the Procurement Division, Treasury Department, of a current record of all Federal real estate. I am enclosing herewith a copy of this Executive order.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 16, 1939.

REPORT OF OPERATIONS UNDER EMERGENCY RELIEF APPROPRIATIONS ACTS

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report of the President, referred to the Committee on Appropriations, as follows:

To the Congress of the United States:

As required by the provisions of the Emergency Relief Appropriation Acts of 1937 and 1938, I present herewith a report of the operations under these acts to the end of the calendar year 1938.

This report contains detailed and summary statements of the Treasury Department reflecting expenditures made, obligations incurred by classes and amounts, and the status of funds under each of the above-mentioned acts. In addition thereto, similar information is presented for the Relief Acts of 1935 and 1936. These statements have been compiled as of December 31, 1938.

Reports of operations of the Works Progress Administration, the Farm Security Administration, the Public Works Administration, and other agencies receiving funds under title I and title II of the Work Relief and Public Works Appropriation Act of 1938 are also included.

A supplementary report prepared by the Treasury Department is being forwarded under separate cover showing the status of funds, including expenditures made and obligations incurred for each official project, approved under the Emergency Relief appropriation acts.

Franklin D. Roosevelt.

THE WHITE HOUSE, January 10, 1939.

## REPORT OF STATISTICAL BOARD

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Commerce, as follows:

To the Congress of the United States:

Pursuant to the provisions of Section 5 (f) of the act of Congress approved July 25, 1935, I transmit herewith for the information of the Congress the Fourth Annual Report of the Central Statistical Board for the period from July 1, 1937, to June 30, 1938.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 14, 1939.

EXTENSION OF FACILITIES OF THE PUBLIC HEALTH SERVICE

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States of America:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State and the accompanying draft of proposed legislation designed to extend the facilities of the Public Health Service to active officers of the Foreign Service of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 16, 1939.

[Enclosures: (1) Report of the Secretary of State; (2) draft of proposed bill.]

AMERICAN DAMAGE CLAIMS FOR EXPROPRIATIONS OF AGRARIAN PROPERTIES IN MEXICO

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States of America:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that legislation may be enacted to authorize appropriations for expenses of a representative of the United States and of his assistants, and for one-half of the joint expenses of this Government and the Government of Mexico, in giving effect to the agreement of November 9-12, 1938, between the two Governments providing for the settlement of American claims for damages resulting from expropriations of agrarian properties since August 30, 1927.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 16, 1939.

[Enclosure: Report.]

NEW YORK STATE CONSTITUTIONAL CONVENTION—ADDRESS BY THE PRESIDENT

[Mr. Mead asked and obtained leave to have printed in the Record a radio address by the President of the United States, delivered on the occasion of the constitutional convention in New York State, September 17, 1938, which appears in the Appendix.]

#### TRIBUTE TO SENATOR WHEELER

[Mr. Norris asked and obtained leave to have printed in the Record an editorial tribute to Senator Wheeler, appearing in the Brotherhood of Locomotive Firemen and Enginemen's Magazine for January 1939, which appears in the Appendix.]

PROBLEMS OF TAXATION AND FINANCE—ADDRESS BY SENATOR BYRD AND LETTER TO CHAIRMAN OF FEDERAL RESERVE SYSTEM

[Mr. Glass asked and obtained leave to have printed in the Record an address delivered by Senator Byrd before the Massachusetts Association of Taxpayers' Associations at Boston, Mass., December 10, 1938, and a letter written by Senator Byrd to the Chairman of the Board of the Federal Reserve System, which appear in the Appendix.]

## JACKSON DAY ADDRESS BY SENATOR WALSH

[Mr. Maloney asked and obtained leave to have printed in the Record the Jackson Day address delivered by Senator Walsh at Boston, Mass., January 7, 1939, which appears in the Appendix.]

BUSINESS, GOVERNMENT, AND THE RIGHTS OF THE INDIVIDUAL—
ARTICLE BY SENATOR O'MAHONEY

[Mr. Maloney asked and obtained leave to have printed in the Record an article by Senator O'Mahoney on Business, Government, and the Rights of the Individual, published in Investor America for January 1939, which appears in the Appendix.]

ADDRESS BY SENATOR GUFFEY ON OCTOBER 6, 1938

[Mr. Guffey asked and obtained leave to have printed in the Record a radio address delivered by him on October 6, 1938, which appears in the Appendix.]

THE REPUBLICAN VICTORY IN WISCONSIN—ADDRESS BY SENATOR WILEY

[Mr. Wiley asked and obtained leave to have printed in the Record an address on the subject of the Republican victory in Wisconsin, delivered by him before the National Republican Women's Club, Hotel Astor, New York City, January 14, 1939, which appears in the Appendix.]

JACKSON DAY DINNER ADDRESS BY GOLDEN W. BELL

[Mr. Logan asked and obtained leave to have printed in the Record a Jackson Day dinner address delivered by Hon. Golden W. Bell, Assistant Solicitor General of the United States, at Sioux Falls, S. Dak., on January 7, 1939, which appears in the Appendix.]

THE CONSTITUTION-ADDRESS BY WADE H. ELLIS

[Mr. Borah asked and obtained leave to have printed in the Record a radio address on "The Constitution of the United States," delivered by Wade H. Ellis on October 25, 1938, which appears in the Appendix.]

# THE QUEST FOR RESPONSIBILITY—ADDRESS BY CLARENCE A. DYKSTRA

[Mr. LA FOLLETTE asked and obtained leave to have printed in the Record an address by Clarence A. Dykstra, president of the University of Wisconsin, delivered before the American Political Science Association at its thirty-fourth annual meeting, Columbus, Ohio, December 28, 1938, which appears in the Appendix.]

#### FLOOD-CONTROL PROGRAM IN VERMONT

IMr. Gibson asked and obtained leave to have printed in the Record an editorial published in the New York Times of January 15, 1939, and an editorial published in the New York Herald Tribune of recent date, on the subject of the program for flood control, which appear in the Appendix.]

#### FLOOD-CONTROL PROGRAM IN VERMONT

[Mr. Davis asked and obtained leave to have printed in the Record an article entitled "Green Mountain Holiday" by Dorothy Thompson, published in the Washington Post of January 16, 1939, which appears in the Appendix.]

#### THE NATCHEZ TRACE

[Mr. McKellar asked and obtained leave to have printed in the Record certain correspondence relative to the Natchez Trace, which appears in the Appendix.]

#### SHARECROPPERS OF SOUTHEAST MISSOURI

[Mr. Truman asked and obtained leave to have printed in the Record a resolution passed by certain landowners of southeast Missouri, and two telegrams, relative to the sharecroppers of southeast Missouri, which appear in the Appendix.]

#### LETTER FROM AMERICAN FARM BUREAU FEDERATION

[Mr. Bankhead asked and obtained leave to have printed in the Record a letter addressed to the President of the United States and the Members of the Seventy-sixth Congress by the American Farm Bureau Federation, which appears in the Appendix.]

### RADIO SPEECH BY FRED BRENCKMAN

[Mr. Byrd asked and obtained leave to have printed in the Record a radio speech delivered by Mr. Fred Brenckman, Washington representative of the National Grange, on December 17, 1938, which appears in the Appendix.]

### NINETEENTH ANNIVERSARY OF EIGHTEENTH AMENDMENT

Mr. SHEPPARD. Mr. President, this day marks the nineteenth anniversary of the advent of the eighteenth amendment to the Constitution of the United States.

By that amendment the American people for 13 years made an outlaw of beverage alcohol.

That amendment was repealed 5 years ago.

As we observe the gathering concern over conditions now surrounding the consumption of alcoholic liquors it becomes apparent that the so-called control laws following repeal have failed either to control the traffic or to promote temperance.

Recently the American Association for the Advancement of Science announced the appointment of a research council composed of distinguished scientists to deal with the problems of alcohol, declaring that the alcohol problem has become one of the major perplexities of our civilization.

Whatever may be our individual views on liquor, we cannot avoid the admission that when so eminent a scientific body as this considers it necessary to conduct special research in the problems of alcohol, the liquor question is still far from an adequate solution.

It is not alone the scientific research worker who is disturbed by present conditions.

It was said by the present Federal Alcohol Administrator in an address before the National Alcoholic Beverage Control Association at Portland, Oreg., in August 1938 that during a recent visit to his native State he was told everywhere he went that the on-premises retail establishments were being operated so much in defiance of public opinion that they were fast creating conditions that promised severe rebuke at the hands of the people, that these complaints and protests were not aimed at the State officials whose duty it was to enforce the law and regulate the retail sale of beer, but at the operators of these places-that what struck him so forcibly was that it was not the traditional "drys" who were complaining, but the "liberals" who had "no taint of fanaticism" and no affiliation with the prohibition element—that for some time those in Washington constituting the Federal Alcohol Administration had been receiving numerous complaints from other States about similar conditions, and that a prominent judge in a western State advised them that the beer parlors in his State were breeding places for all the vices and minor crimes that had aroused the resentment of the Nation some score of years ago.

In his annual reports to Congress for each of the last 3 years the Federal Alcohol Administrator has made recommendations growing out of his experience for the better administration of the Federal laws relating to intoxicating liquor. These recommendations have included such legislation to protect the States against unlawful importation as is called for by the twenty-first amendment to the United States Constitution. These recommendations have also included a proposal to subject brewers committing offenses in interstate commerce to the same penalties as are now provided against distillers, as well as the enactment of measures against the use of certain interstate facilities, such as the radio and the press for the transmission of liquor advertising across State lines. In his report to the Seventy-fifth Congress on January 5, 1938, the Administrator said that it was his opinion that the social aspects of the beer and ale industry demand as much regulation as do distilled spirits or wines.

Although these recommendations have been made annually for 3 years, no action by Congress has as yet been taken.

In one of our largest cities the municipal authorities were faced with an increase of 354 percent in arrests for drunkenness since repeal, while the total of arrests for all causes increased only 41 percent, and with a demand for a thousand additional police to enforce the law. The council directed the bureau of the budget and efficiency of that city to prepare a report pertaining to police activities and costs in connection with the handling of drunken persons and to municipal revenue from liquor taxes with a view to securing a larger share of the liquor revenue to meet the mounting expense. The bureau reported that the work incident to alcoholic liquor presented a tremendous problem to the police department, that the immense burden occasioned by the liquor traffic for the past few years with no appreciable increase in revenues available for additional police officers had resulted in a substantial weakening of other types of police protection, and that the work of the police in connection with drunkenness since intoxicating liquor had been legalized and police costs incident thereto were more than twice what they were before

Mr. NORRIS. Mr. President-

The PRESIDING OFFICER (Mr. Smith in the chair). Does the Senator from Texas yield to the Senator from Nebraska?

Mr. SHEPPARD. I yield.

Mr. NORRIS. I wonder if the Senator from Texas would be willing to give us the name of the municipality to which he has just referred.

Mr. SHEPPARD. Yes; it is Los Angeles.

Churches continue to denounce the liquor situation. Many of them during 1938 made pronouncements of most vigorous character.

The General Assembly of the Presbyterian Church in the United States at Philadelphia in May 1938 declared its belief that the country had taken a long backward step in repealing the eighteenth amendment and pledged that church to unite with other Christian bodies in working and praying for a return of national prohibition.

The Universalist Church General Convention at Chicago in October 1938 adopted a resolution deploring the almost

unrestricted advertising and sale of intoxicating liquors, the marked increase of drinking, especially among youth and women, the virtual partnership of the Government with the liquor traffic through the revenues it derives from it, and called upon the churches to renew a campaign of education with reference to the evils which the whole hideous business involves.

The Southern Baptist Convention at Richmond, Va., in May 1938 expressed its hope and belief that an aroused public sentiment, outraged by the increasing crimes and highway fatalities brought about by the liquor traffic, and the increasing disregard of law and decency by the traffic, would soon again, and permanently, place upon the liquor traffic the brand of the outlaw which it so richly deserves.

The Northern Baptist Convention at Milwaukee, Wis., in May 1938 declared that since the repeal of the eighteenth amendment there had been a vast increase in drinking, with all its attendant evils—personal, social, and economic—and urged all the pastors and the people of that church to seek by personal example, temperance education, and legislation, to abolish the liquor traffic from the Nation.

The Cumberland Presbyterian Church General Assembly at Russellville, Ark., in June 1938 announced a firm stand against anything that tended to lower the morals of men and women, boys and girls.

The General Synod of the Reformed Church in America in June 1938 declared that with the repeal of prohibition conditions had not improved, that bootlegging and rumrunning continued, and, what was worse, women were drinking at the public bars, a thing unheard of in years gone by; that despite promises to the contrary, American youth indulge in liquor and women are employed as barmaids; that consumption in the United States of all kinds of alcoholic beverages is rapidly increasing; that through the radio, newspapers, and public advertising the people were being told of the so-called benefits and joys that come from the drinking of beer, wine, and liquor, and urged more stringent regulation of the liquor traffic, as well as education on the subject of the drink evil.

The General Conference of the Methodist Church South at Birmingham, Ala., in May 1938 declared that the repeal advocates had promised that the saloon would never return, and that drinking and drunkenness would decline if John Barleycorn should be stripped of his stripes and be allowed to dress in the honest garb of respectable citizenship. This conference declared further that it was all too evident that the advocates of legalized liquor never intended to keep a single promise of sobriety or protection or decency, but wanted only the chance to vend their wares and to satisfy the thirst of those who already were trained in the drink habit, and to allure to their trade a vast army of young men and women, boys and girls who would pour into their coffers the millions they craved.

The bishops of the Methodist Church South, in session at Birmingham, Ala., in May 1938, declared that the results of repeal were apparent on every hand, that alcoholic liquor was being released in an unrestrained flood, and that nearly every barrier that society had built by the struggle of a hundred years against the conscienceless liquor traffic had gone down in disastrous overthrow.

The United Presbyterian Church General Assembly at Cleveland, Ohio, in May 1938 declared that repeal had failed, that it had proved itself an economic, a social, a moral, and spiritual curse and scourge of the American people, particularly of youth.

The foregoing declarations are cited as but a few of recent expressions from leading religious sources.

At a national meeting of liquor dealers on the subject of liquor advertising at Washington, D. C., in October 1933, Mr. Gene Tunney, chairman of the American Distilling Co., and formerly connected with the Distilled Spirits Institute, asserted that the industry's trade association was without social consciousness or soul, that the distilling industry had made a mess of the advertising situation, that stern regulation was needed for the industry in advertising as well as in other fields. He deprecated the color spreads in the national

magazines because they went into millions of homes and were difficult to explain to children.

Under national prohibition the beverage liquor traffic was an outlaw. Wherever it existed it did so furtively or because some official had not discharged his constitutional duty. Those who drank did so either by searching out the purveyor of the illicit commodity or by establishing a contact with someone who was engaged in an illicit enterprise.

Today the brand of the outlaw has been removed from the beverage liquor traffic. It exists everywhere either as a trade licensed by the Government or in some jurisdictions operated directly as a function of the State. Instead of the customer seeking the drink, the drink trade now seeks the customer. Every facility known to modern publicity methods has been seized upon by the trade to stimulate the sale and consumption of that which always has been productive of social abuses of the most serious nature.

Those abuses are now legion. We find intoxicating liquors confronting men, women, and children with the drink temptation in almost every place where the business of life is conducted. Women and children were denied admission to the old-time saloon. At present three times as many women and girls are working in liquor-selling places as there are women students in the public universities, colleges, and teacher normals of the country. Women customers of such places are becoming so constant and so numerous that to the old problem of the drinking father has been added the new problem of the drinking mother.

To the natural lure of beverage alcohol for the convivial the modern liquor vendor adds new enticements. After sundown neon signs in vivid colors publicizing beer and liquors make the streets and highways hideous.

There are now three times as many retail liquor establishments in the United States as there were before national prohibition. They are to be found in department stores, drug stores, hardware stores, food stores, shoe stores, and restaurants. They are scattered everywhere—in residential sections, in rural areas, and in regions inadequately policed.

Inventive genius has supplied the supersalesman for liquor with new mediums for solicitation. He now invades our homes and firesides. Anglo-Saxons were taught that a man's home is his castle, the threshold of which could not be crossed except the keeper extended a welcome. Today the voice of the radio announcer calls unexpectedly into the family circle with the unsought advice to drink somebody's beer, somebody's wine, or somebody's whisky. By advertising in streetcars, on billboards, in newspapers, periodicals, and by other means the trade attempts to cultivate the drink habit. It pictures everything except the finished product—the drunkard.

Under national prohibition one could travel from the Atlantic to the Pacific and from the Canadian to the Mexican border without seeing a billboard advertising somebody's liquor establishment or a particular brand of alcoholic drink. During the 13 years of national prohibition not one of the millions of copies of magazines and newspapers which came into the American home contained a liquor advertisement. Not once during that 13 years was the voice of the radio announcer heard in the privacy of an American fireside proclaiming the alleged merit of some liquor dispensary. If national prohibition had made no greater contribution to the cause of temperance than to banish the advertising of liquors, by that fact alone it made a monumental contribution to the cause of national sobriety.

Mr. President, we are in an era of transition. Our Nation is being tested in one of those tragic moments which from time to time have tried the souls of men. We are in an age in which the inventive genius of man has made of life a drama of such swift motion, in so dangerous a mechanical environment, that physical tragedy perpetually threatens us—an age in which, with the speed of lightning, the institutions of civilization may be imperiled and the destinies of men and nations determined. If ever there existed need for sobriety, for calm and sane deliberation, for self-possession for the full exercise of human faculties, for the employment of skill

and judgment, for keen perceptiveness, for balance and mental poise, that need exists at this time.

We have extended the frontiers of all our sciences, including the social sciences. Vast concentrations of machine power are making necessary human activities that impose a growing strain on brain and heart and nerve.

We refuse to observe the limits of space; we are impatient of time; ours is a furious pace, physical as well as mental. We are living in an era that requires and demands the quickest readjustment and readaptation. We cannot maintain the speed demanded by this machine epoch with increasing millions of our people victims of the liquor habit.

Prohibition will return because alcohol as a beverage cannot justify itself. Alcohol is destructive of economic as well as moral values when used as a beverage. It dissolves away too much of economic as well as human tissue. In the end the Nation will be unwilling to condone so great a waste.

Alcohol as an ingredient in manufacture has a vital place in the industrial life of the Nation; its value in this regard is increasing constantly. We are dependent upon it now for great advances in our industrial progress, and we will become constantly more dependent upon it as we develop the chemical industries that are founded in part upon its use. However, as a beverage its use represents a rare paradox.

As a nation we are developing the most efficient public health service in history. Our national medical concern begins not merely with the child at birth, but with the prenatal child.

The provisions in our Social Security Act for maternal aid are designed not merely to assure the lives of our mothers so far as is possible through proper maternal care during childbirth, but to assure the birth of children unafflicted by blindness, or by deformities, so far as the latter can be prevented or corrected.

We are conquering infantile paralysis, that dreaded enemy of child as well as adult. We have penetrated the secret of certain forms of insanity. We have moved definitely toward a conquest of social disease. Patient scientists have devoted their lives to the perfection of methods and chemicals for the eradication of this social blight. Childbed fever, that devastator of motherhood, is conquered. We not only know the secret of malaria but we have the cure for it. Smallpox long has been controlled; newer methods have conquered it.

We have conquered rabies. Pellagra yielded to the simplest remedy in the world, once we knew its cause. We have pursued yellow fever to the jungles of Africa, and heroic physicians are destroying it there. Diphtheria has been captured and conquered. Tuberculosis is easily on the way out. Pneumonia cannot resist much longer, and cancer cannot always evade us. Yet men seriously handicap these efforts for their physical redemption and salvation by drinking alcohol, which undermines resistance to all forms of disease, and makes their bodies carriers of infection even for the mother and for the child while yet unborn.

Medical science is engaged in the task of prolonging our lives, of reducing infant mortality, mitigating the ills of childhood, youth, and middle age, and prolonging those years now about to be made economically secure by beneficent old-age legislation. But apparently millions are unwilling to grow old without the afflictions of alcohol. If ever there was a paradox, the liquor drinker presents it.

It never will be possible to drink alcohol with physical safety. Alcohol is not by nature intended for beverage use. Its chemical properties and attributes are destructive of living tissues; and you cannot change human tissue to give it immunity from such destruction.

Mankind strangely has tolerated many evils. Lack of knowledge, lack of courage, and the inability to overcome inertia have contributed to that tolerance. But the age in which we live is no longer willing to tolerate removable sources of suffering, waste, disease, and inefficiency.

One of such sources is beverage alcohol.

In the interest of a higher and more efficient civilization beverage alcohol, like Carthage, must be destroyed. PROHIBITION, IMMIGRATION, AND OTHER ISSUES

Mr. REYNOLDS. Mr. President, I have provided eager ears for every single word which has fallen this morning from the lips of my distinguished and beloved colleague, the senior Senator from the great Lone Star State of Texas [Mr. SHEPPARD]. I have listened with unusual interest, because I recall that in 1932 I was nominated as the representative of the Democrats of North Carolina to be their candidate for the United States Senate. I recall very vividly that during that campaign I made a personal appearance and delivered an address in every single one of the 100 counties in North Carolina. I recall that I traveled from the towering peaks that constitute a part and portion of the Great Smoky Mountain National Park of western North Carolina for 700 miles eastward to the limpid blue waters of the Atlantic, which waters are not far distant from the most historic spot in all the North American continent; that is to say, Roanoke Island, where, 350 years ago, the first white child of Englishspeaking parentage opened her eyes to the blue skies of the Western Hemisphere. During that campaign I preached the gospel of temperance. During that campaign I endeavored to impress my audiences with the fact that the greatest enemy that God has in all the world is liquor. Liquor is God's worst enemy. Liquor is the devil's best friend. No Member of this great deliberative body of American representatives will dare to take the floor and deny the statement I have just made, because every man and every woman, and particularly every father and every mother, agrees with the Senator from Texas and with me, that liquor is the devil's best friend; liquor is the devil's constant companion, and liquor is God's worst enemy.

In that campaign I not only preached temperance day in and day out but I said if ever the open saloon should return to my State of North Carolina that I would be the first to ask the Congress to reconsider the repeal of the eighteenth amendment. I make that statement here and now without the slightest hesitation, and I trust sincerely that the people of North Carolina—3,500,000 of them—will recall every statement and every pledge that I have made in reference to liquor, for, if I may be pardoned a personal reference, I have my first time to violate a pledge made by me to the people of North Carolina.

I was struck with the force of the suggestion by the Senator from Texas today that, through the instrumentality of legislation which he has proposed, the act which repealed the eighteenth amendment be itself repealed. I shall be perfectly frank and most honest with the Senator from Texas, the champion of temperance and prohibition, in saying to him that I am giving to his proposed legislation a great deal of thought, for I have been keeping my ears to the ground, and I have been keeping my eyes open, with a view to ascertaining whether or not we have more temperance now than we had prior to the repeal of the eighteenth amendment.

I make that statement here today on the floor of the Senate because, like the Senator from Texas, and like every other Member of this body, I stand in honest recognition of the fact that there is nothing so thoroughly detrimental to the physical being as is liquor itself, recognizing, as I do, that liquor eats into the tissues of the stomach and destroys the cells of the brain. Now, above all other times in the history of our Nation, we must insist upon physical development and active minds and strong bodies, for the American people, within the next 5 or 10 years, will be called upon to meet problems never before encountered in the highway of time. We are interested now in the preservation of the bodies of our youths because we are interested in the development of a great national defense program for adequate protection.

Mr. DAVIS. Mr. President, will the Senator yield?
The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Pennsylvania?

Mr. REYNOLDS. I will be delighted to yield to my distinguished colleague the very able representative from the great Commonwealth of Pennsylvania in this body to which he has but recently been reelected.

Mr. DAVIS. I thank the Senator. Did I understand the Senator correctly a moment ago to say that there was more temperance prior to prohibition than there is now?

Mr. REYNOLDS. No; I did not make that statement. I said that I was endeavoring to ascertain whether or not we have more temperance now than we had before the repeal of the eighteenth amendment or whether we had more then than we have now. That is a big question in my mind; it should be a question in the mind of every Member of the Congress of both Houses, because, after all, there is nothing more important than saving, protecting, and throwing safeguards around the American youth, for when you, Mr. President, and I shall have passed to the Great Beyond the youngsters of this hour will be called upon to fill the shoes made vacant by our passing. So we as representatives of the American people in these legislative halls are interested in protecting the youth of America; and, as I have said, more so now particularly than ever before, because we will be called upon within 5 or 10 years to meet the greatest problems that we have ever been confronted with in the history-economic, social, or political-of America.

Mr. President, I recall that there was an expression in the Democratic national platform of 1932 in reference to the question which has been so ably presented here today by my distinguished colleague from Texas. In this little booklet [exhibiting], upon the cover of which appear the words "Platforms of the two great political parties, 1932 and 1936," on page 338, the Democratic platform speaking, is found

this statement:

We advocate the repeal of the eighteenth amendment.

I was one who joined in advocating that repeal then. If I am wrong, I want to know it; if I am wrong, I want to be told about it; if I am wrong, I want the Senator from Texas and others to prove to me that I am wrong; and if I am convinced that I am wrong, I thank God that I have the courage unhesitatingly to admit to the world that I am wrong. What did we say?—

We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal. We urge the enactment of such measures by the several States as will actually promote temperance—

And I emphasize the word "temperance," because that is what you, Mr. President, and I, and all the others of us are interested in now—

effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the

In connection with that printed phrase I wish to say that I am happy to be able to report that, insofar as I have been able to observe, there are no open saloons in North Carolina; but I happen to have observed in the past few years, during my frequent tours over the United States, which have carried me into every State of the Union, that there are now many States where one can find without difficulty the open saloon. I am not going to mention those States, because it would be unnecessary, for the reason that those who reside in those respective States, and whose eyesight has not failed, can, without any difficulty whatsoever, find the open saloons to which I have referred.

I recalled a moment ago when I was listening most profoundly to the eloquent address of the Senator from Texas that he mentioned the fact that our saloonkeepers had been supplanted by barmaids. That is true.

Whereas in Europe they have been dispensing with barmaids and substituting bartenders for barmaids, the situation has been reversed in the United States, for here we are supplanting bartenders with barmaids. Nobody is going to deny that statement. If anyone should undertake to deny it, I will take him by the arm and conduct him downtown here in the District of Columbia and show him hundreds of barmaids. I know where they are [laughter]; certainly I know where they are, and I venture to say that of the 619,000 constituting the population of the District of Columbia, ac-

cording to the latest estimate, 500,000 know where they are. [Laughter.]

I hope it will not be inferred that I drink. [Laughter.] I have indulged in drink in the past; I am not bragging about it, but I do not drink now. I have learned better. I know that a drink will probably give one a little excess energy for the minute, but that it is very destructive of the physical cells; that it may provide some activity for the mind for the moment, but that in the end it stupefies and dulls the mind. I am speaking frankly and candidly. I am not standing here today in an attempt by words to place myself upon a pedestal of ivory, or to clothe myself in raiment of white. I am merely standing here speaking in terms of questions, asking myself and my fellow citizens and colleagues what is best for the boys and girls, the sons and daughters, the children of America's fathers and mothers. Thank God, I am not a hypocrite. I would not hesitate to answer any question as to whether or not I have ever indulged in drink. I have, and everybody knows I have, and knows that I would be delighted if the state of affairs were otherwise. I have reached the point in life where I want to do what is best for the people I represent, and I have no other ambition during my service in the Senate than the ambition to serve my people of North Carolina and the 135,000,000 people of America.

I say to you, Mr. President, and I say particularly to my colleague from the State of Texas, to whom I have listened with so much interest, that I have but recently returned from Europe, the British Isles, continental and eastern Europe, and all through the Balkans. While over there I made observations relative to this subject in Ireland, in England, in France, in Spain, in Italy, in Albania, in Greece, in Bulgaria, in Yugoslavia, in Rumania, in Hungary, in old Austria, in Czechoslovakia, in Germany, and what did I find? I found the facts to be just as they have been related by the Senator from Texas. What are the facts?

They sustain the statement I make that in Europe the bartender is being substituted for the barmaid, whereas in the United States of America, where we pledged ourselves against the return of the saloon, the barmaid is being substituted for the bartender. I say as a warning to the liquor interests of this country that if they do not watch their step they are going to have upon their hands here within the continental United States the hardest fight they ever had. Give them an inch and they will take a mile. Over the radio and in every magazine and in every newspaper that will accept their advertisements they are advertising their liquor-God's worst enemy and the devil's best friend-to the children of America. But that is the way they are. You, Mr. President, remember their actions before the prohibition wave came on. They were drunk with power. Right now the liquor interests of this country, the great distillers, are becoming drunk with power. We Democrats have pledged temperance to the American people; and it is up to us to warn the liquor men and let them know that the eyes of the American fathers and the American mothers are focused on them. The liquor interests are drunk with power; and I now suggest to the able Senator from the State of Texas, in view of the intemperance we observe everywhere, that a resolution be introduced in this body-perhaps a joint resolution, to be introduced in the other body alsoto investigate this subject. It is one worthy of investigation, and, as I have stated, should be investigated now above all

Mr. President, in conclusion, in reference to the particular subject upon which I have just addressed the Chair, I desire to express publicly to the Senator from Texas my thanks for the very enlightening and inspiring address which he has been so good as to deliver here today.

Now, Mr. President, I wish to bring to the attention of this body a subject which I believe should command the attention of every Member of the body. The American people are going to demand of you, and of you, and of every Member of this body, complete focusing of the mind upon that subject. It relates to the boys and girls, the young men and young women of America, whose parents have denied themselves almost the necessities of life in order that they might provide their sons and daughters with professional educations. The subject, which I approach with enthusiasm, is one relating to the more than 10,000,000 unemployed persons in the United States today. Initially, I am desirous of bringing to the attention of those who do me the honor to listen a clipping which I have received from one who enthusiastically supports my various and sundry bills to restrict immigration and to deport the alien criminals in America.

I say to everyone who does me the honor to listen, and to all the American representatives who sit or stand within the hearing of my voice, that the restriction of immigration and the deportation of alien criminals is a subject in which the American people are more thoroughly interested at this hour than any other subject that I could possibly bring to your attention, because it unquestionably has a relation to the mammoth subject of adequate national defense; because, in addition thereto, it is a matter close to the hearts of the mothers and fathers, the parents of this country, who have denied themselves of the necessities of life in order to educate their daughters or sons for professions.

Let us see. Always, Mr. President, I stand back of any statement I ever make. I never make a statement I cannot back up. I never make a statement that I cannot prove to a reasonable man.

Mr. LUNDEEN. Mr. President-

The PRESIDING OFFICER (Mr. Johnson of Colorado in the chair). Does the Senator from North Carolina yield to the Senator from Minnesota?

Mr. REYNOLDS. I shall be delighted to yield to my colleague from Minnesota.

Mr. LUNDEEN. The Senator has just stated, as I understood him, that there are now more than 10,000,000 unemployed persons in America. I do not question the statement; but on just what authority does the Senator make the statement?

Mr. REYNOLDS. I make the statement upon information I have derived, as a matter of fact, principally through the columns of the press. I believe it is stated that we have in this country today on W. P. A. about 3,000,000 persons. I have made inquiry in virtually every State in the Union over a period of 2 years, during which time I visited virtually every State, as to the unemployment situation. I believe it is generally conceded by those who-if the Senator will pardon a vulgarism—are "in the know," that in the country today at least 10,000,000 persons are out of employment. I am very happy that the Senator from Minnesota directed that inquiry to me, because I myself should like to have some definite information as to the matter; and with a view to providing my honorable colleague with the information he desires I shall today call upon those who should be in possession of the figures to provide me with that information. I shall hope to have it on my desk in the morning, at which time it will be a pleasure for me to convey it to my colleague.

Mr. LUNDEEN. If the Senator will permit me, I think there is good authority for stating that there are 12,000,000 or more unemployed in this country. Based on figures of the recent unemployment census and other sources, there are some estimates which go as high as 15,000,000, but I do not know how reliable they may be. However, the figure 12,000,000 is used by conservative authority, and this at the end of 6 years. I think it is well that Senators direct their attention to real remedies and to getting down to real fundamentals, instead of skimming along on the surface of things.

If the Senator will permit me further—

Mr. REYNOLDS. I am delighted to receive the Senator's valuable contribution.

Mr. LUNDEEN. There are in this country approximately 70 percent of the earth's recorded unemployed, according to the figures of the International Labor Office in Geneva, Switzerland, which statement does not include, of course, such countries as India and China.

Mr. REYNOLDS. Does the Senator mean there is that percentage of unemployed in the United States?

Mr. LUNDEEN. No; of the world's unemployed, as recorded by the International Labor Office in Geneva, Switzerland. That presents a very serious picture. If there ever was a time when we should get down to fundamentals, it is today, and I hope we will remember that when we come to vote on the appropriation for the W. P. A. a few days from now; I hope we will remember that when these men come to the Senate of the United States and ask for an opportunity to work, because the opportunity to work is the greatest opportunity a citizen can have, for thereby he contributes to the public welfare.

Mr. REYNOLDS. I wish to thank the Senator for his very able contribution. A moment ago I stated that, in my opinion, there were 10,000,000 people out of employment in the United States. I employed the words "10,000,000 people," because I always endeavor to find myself ultra conservative, particularly when extending my remarks before this splendid body of men. But I shall be perfectly frank and honest with the Senator, and state that, in my humble opinion, there are in this country 12,000,000 people whole-time unemployed, and I am told that, in addition, there are many additional millions who are employed only part time.

Referring to the statement the Senator made a moment ago in reference to figures that were released by the international labor statistical organization in Geneva, Switzerland, did the Senator say that they issued statistics to the effect that 70 percent of the unemployed of the entire world were out of employment in the United States, or was it 70 percent

of the people of the United States?

Mr. LUNDEEN. The statement I made was that where statistics of unemployment are available, where they are recorded, they show approximately 70 percent of the unemployed of the earth are to be found here in the United States. These figures were given in a speech which I delivered at the last session of Congress. I gave them in detail at that time, quoted the figures, and brought attention to the huge number of unemployed.

In asking my questions I have somewhat in mind the relief appropriation which will be asked in a few days. We should have these astounding figures in mind when there is brought before us the appropriation bill designed to provide the unemployed people in this country some really useful work to do whereby they can contribute to the upbuilding of the Republic.

I agree with the Senator in his conclusion that there are 12,000,000 or more unemployed in this country, according to the best authority we can find. I think the Senator is correct in that statement.

Mr. REYNOLDS. Of course, that is a distressful situation. It is difficult for me to believe, if the Senator will pardon me, that there are 70 percent of the people of the earth's surface out of employment.

Mr. LUNDEEN. Oh, that was not the statement.

Mr. REYNOLDS. Or was it that 70 percent of the unemployed of the earth are in the United States?

Mr. LUNDEEN. That is the statement.

Mr. REYNOLDS. I had a misunderstanding about it. I was thinking it would be terrible if we found the other to be the fact, because my recollection is, just offnand—and it is difficult to keep the figures in mind precisely—that the population of the world is 2,139,000,000. I imagine that in the United States there are about 139,000,000 people. So that leaves 2,000,000,000 outside of the United States.

I am worried about the 139,000,000 in the United States. My thoughts are going to be concentrated upon the citizens of the United States. My interests and sympathies and heartbeats are for the unemployed in the United States. I am interested in putting the 10,000,000 unemployed in the United States into remunerative employment. After we have done that, then I am going to permit my heart to beat for and my sympathies to be focused upon peoples of other countries of the world; but until we provide employment for the 10,000,000 in the United States, I am going to keep my nose

out of other countries-except that I may do a little traveling to see what is going on.

Mr. LUNDEEN. Mr. President, will the Senator permit me to interrupt him at that point?

Mr. REYNOLDS. Certainly; I am delighted to yield.

Mr. LUNDEEN. I agree with the position the Senator has just taken. I presume he is not in favor, then, of going out to save the world.

Mr. REYNOLDS. Oh, by heavens, no. [Laughter.]

Mr. LUNDEEN. The Senator will agree, then, that we

have done enough saving of the world?

Mr. REYNOLDS. I want first to see the United States saved. I want us to see to it that the United States does not get into another war, because our brief participation in the World War from April 6, 1917, to November 11, 1918, has cost the taxpayers of the United States to date more than \$69,000,000,000, and I believe as that great President, Calvin Coolidge, once predicted, that before the American taxpayer liquidates the indebtedness incurred as a result of our participation in the World War, we will have paid out more than \$100,000,000,000.

I say that we of the United States, constituting only 139,-000,000 people of the population of the world of more than 2,139,000,000, should not be called upon to shoulder the responsibility of once again saving democracy, the democracy of France and Great Britain, neither of which will admit that we saved their hides, neither of which will admit that they owe us any money, because they have virtually repudi-

ated their debts.

And now, from Great Britain, its handsome, broadshouldered, fine-voiced Anthony Eden is sent to the United States to curry favor with full-blooded Americans, to blaze the way and to carpet the path that will be traversed by the King and Queen of England when they come to America to curry favor with the United States, all of them on bended knees, if not literally so, figuratively so, for the purpose of asking the United States, the people of America, again to save them.

Mr. LUNDEEN. Mr. President, will the Senator permit another interruption?

Mr. REYNOLDS. Gladly. Mr. LUNDEEN. I am glad the Senator has made this statement about our obligation to look after our own unemployed first, and our own America first, before there is any world-saving business engaged in. Would the Senator wish to extend that also to the question of the refugees? It is now proposed that refugees shall be poured in upon this country while there are 12,000,000 unemployed here?

Mr. REYNOLDS. I am glad the able Senator from Minnesota directed that inquiry to me. I wish to say to the Senator, and I wish to say to the other able representatives of the respective States of the Union in the Senate-and I make the statement unhesitatingly, as I do not wish my position misunderstood—I do not condone the conduct of any country in the world which is shown to be persecuting minorities within its borders. If there are minorities in Germany being persecuted by Hitler and the German Government, I do not condone that action; I look upon it with horror and with regret, and with sympathy for the minorities of Germany.

If those of a certain religion in what was once upon a time lovely Spain, and even now is historic Spain, are being persecuted and murdered, and if their temples of faith are being destroyed and razed, I am in sympathy with them. If the people of Abyssinia, the Ethiopians, should be considered as a nation of minorities, and are being persecuted and murdered by a stronger nation, I am sorry. I have sympathy for them. If millions of innocent children, unprotected women, elderly men, are being murdered in China by Japan, my heart likewise reaches them in sympathy. Every one knows that between 1933 and 1934 between four and seven million Ukrainian farmers were murdered by the Russians through starvation. If minorities in Russia are being persecuted, I feel sorry for those minorities. Minorities are also being persecuted in Poland, in Hungary, in Rumania, and certainly in old Austria, perhaps in some parts of Yugoslavia. Wherever such persecutions of minorities are taking place, my heart goes out in sympathy for those persecuted minorities.

If the Hindus of India, a country having a population of 375,000,000, are being persecuted, and if they are murdered by the British when they see fit to revolt, I am sorry for those who are murdered. My sympathy always goes to the underdog

Mr. President, I will say, however, in answer to the Senator from Minnesota that my sympathies are first with the 10,000,000 unemployed people in the United States. I shall be happy to be provided the opportunity of bringing to the attention of the Senator from Minnesota one of the many thousands upon thousands of letters and telegrams which I have received from American fathers and mothers who agree with my attitude, and are standing by me 100 percent upon the subject which the Senator from Minnesota has so kindly

brought to my attention.

Mr. President, I am in sympathy with the refugees from all countries in the world. I am in sympathy with the refugees from Germany, Poland, Russia, Rumania, Hungary, old Austria, Spain, Ethiopia, India, or China, or any other country in the world where minorities are being persecuted, but my sympathies do not go to the extent of permitting all the refugees of the world to set foot upon the virgin shores of the United States of America, because our first duty to our constituents is to give our attention to those whom we represent. The American people are sick and tired of their representatives everywhere in the United States, State and National, pussyfooting upon the subject that the Senator from Minnesota has so ably brought to our attention. The American people are now demanding to know where we stand. Are we for the Americans, or are we for those who live beyond the lucid blue waters of the Atlantic or the briny waves of the Pacific?

I hope my statement provides the Senator with an answer which satisfies his inquiry. I hope he will not have to spend too much time in ascertaining what my position is.

Mr. LUNDEEN. Mr. President, will the Senator again vield?

Mr. REYNOLDS. I shall be delighted to yield to the Senator from Minnesota.

Mr. LUNDEEN. I thank the Senator for his statement. I have just received a copy of the volume of the Congres-SIONAL RECORD containing the figures of which I spoke. I made reference to the statement of the International Labor Office, Geneva, Switzerland. The statement is found on page 7840, in the proceedings of the Senate of June 1, 1938. third session, Seventy-fifth Congress. The figures on unemployment, to which the Senator has called the country's attention, are there given. With the Senator's permission, it might be well to have those figures placed in the RECORD

Mr. REYNOLDS. I shall be very grateful to the Senator if he will be good enough to ask to have them embodied in the RECORD.

Mr. LUNDEEN. Therefore I ask that as a part of the remarks of the Senator from North Carolina unanimous consent be granted to have the figures referred to printed in the RECORD, so as to give the Senate and the country the information respecting the number of unemployed in this country compared to those in other countries. I thank the Senator for calling attention to those figures.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[From the International Labor Office, Geneva, Switzerland]

Geneva, April 1938.—World unemployment statistics for the first quarter of 1938, which have just been compiled by the Interna-tional Labor Office, show a decline in a majority of countries as compared with the corresponding quarter of last year.

However, increases occurred in Belgium, Bulgaria, Canada, France, Great Britain, Ireland, Norway, and the United States.

Compared with the last quarter of 1937, the statistics show that unemployment rose in all countries except Australia. But officials explain that this trend was for the most part seasonal.

Index numbers of employment, compiled at the same time by the I. L. O. show that, compared with the corresponding quarter of last year, employment increased in all countries except the United States and Belgium.

#### UNEMPLOYMENT IN THE UNITED STATES

In the first quarter of 1937 the number of persons in employment in the United States equaled 92.2 percent of the 1929 total, while in the first quarter of 1938 the number declined to 78.8 percent of the 1929 figure. This was a drop of 13.4 percent. The decline in Belgium from the first quarter of 1937 to the first quarter of 1938 was only 0.4 percent.

guarter or 1938 was only 0.4 percent.

Eleven countries, the index numbers disclose, now have more persons in employment than in 1929. These are: Great Britain, with 110.2 of her 1929 figure; Hungary, with 108.1; Latvia, 121.1; Yugoslavia, 117.3; Estonia, 139.2; Finland, 109.2; Italy, 109.3; Japan, 135.3; Norway, 109.0; South Africa, 131.8; and Sweden, 117.3.

Figures for other countries are: Belgium, 87.2; Czechoslovakia, 79.5; the Netherlands, 74.6; Canada, 92.6; France, 81.1; Luxemburg, 13.6; Peland, 24.6; and Switzgeland, 73.6

75.6; Poland, 84.5; and Switzerland, 78.6.

#### STATISTICS NOT ALWAYS ACCURATE

In making public the unemployment and employment statistics, officials cautioned that since the method of compiling them as well as the dates for which latest figures are available differ from

country to country, they cannot be accepted as accurate measurements but only as showing trends.

The attached table gives a comparison of the volume of unemployment in the various countries during the first quarter of 1938 with the corresponding quarter of 1937 and the last quarter of that year. that year:

	First quar- ter 1937	First quar- ter 1938	Difference	Last quar- ter 1937	Difference
Austria	316, 050	302, 263	-13, 787	224, 166	78, 097
Australia	46, 863	37, 558	-9,305	42, 145	-4, 587
Belgium	131, 565	136, 298	4, 733	90, 574	45, 724
Bulgaria	10, 964	19,062	8,098	5, 012	14, 050
Canada	27, 379	27, 530	151	19, 140	8, 390
Chile	5, 516	3, 137	-2,379	2, 928	209
Czechoslovakia	198, 492	177, 972	-20,520	107, 782	70, 190
Danzig	16, 724	8, 580	-8, 144	3,800	4, 780
Denmark	133, 795	127, 222	-6,573	107, 101	20, 121
Estonia	2,064	1,798	-266	1, 473	325
Finland	5, 383	4, 544	-839	3, 924	620
France	441, 207	444, 376	3, 169	362, 551	81, 825
Germany	1, 853, 460	1, 051, 745	-801, 715	501, 847	549, 898
Great Britain and			100 710	* ****	000 000
Northern Ireland.	1, 624, 765	1, 807, 517	182, 752	1, 506, 590	300, 927
Hungary	50, 863	46, 132	-4, 731	45, 187	943
Ireland	91, 680	104, 829	13, 149	94, 414	10, 413
Japan Latvia	322, 948 6, 358	281, 215 4, 123	-41,733 $-2,235$	277, 200	4, 013
Netherlands	466, 242	439, 278	-26, 964	378, 000	61, 278
Norway	34, 440	35, 311	-20, 964 871	32, 239	3, 073
Rumania	9, 549	6, 343	-3, 206	6, 343	3,07.
Sweden	33, 509	21, 723	-11,786	12, 411	9, 319
Switzerland	87, 120	81, 040	-6,080	42, 420	38, 620
United States 1	9, 241, 000	10, 973, 000	1, 732, 000	9, 267, 600	1, 705, 400

<sup>&</sup>lt;sup>1</sup> American Federation of Labor figures.

Note International Labor Office (Geneva) unemployed 

10,973,000

4,000,00 The most accurate estimate of the unemployed in the United

Biggers census estimate, November 1937\_\_\_\_\_ 10,870,000 Additional unemployed since November\_\_\_\_\_ 4,000,000

Total in April 1938\_\_\_\_\_ The 4,000,000 additional unemployed figure is based on statements by the highest administration officials.

Estimated wealth of 6 largest industrial nations

AR VENEZUE UN DEN BENEZUE AND AREA	Year	Wealth
Italy <sup>1</sup> . Germany <sup>1</sup> . Japan <sup>1</sup> . France <sup>1</sup> . Great Britain <sup>1</sup> .	1925 1924 1928 1925 1925	\$22, 300, 000, 000 40, 000, 000, 000 51, 017, 000, 000 51, 600, 000, 000 117, 800, 000, 000
Total, of 5 nations		282, 717, 000, 000
United States (estimated) 1	1928	367, 610, 000, 000

Mr. LUNDEEN. And this does not by any means include the part-time unemployed, a vast army which will further add to the sum total of unemployment in America.

Mr. REYNOLDS. I am very much obliged to the Senator from Minnesota for his valuable contribution. The Senator has spoken of refugees. All our hearts go out in the deepest sympathy for refugees from any section in the world who are being persecuted, but I say that our sympathy should especially be with the American people, those who are here now and who need our sympathy.

Mr. FRAZIER. Mr. President-

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Does the Senator from North Carolina yield to the Senator from North Dakota?

Mr. REYNOLDS. I yield to my distinguished colleague from the great Commonwealth of North Dakota.

Mr. FRAZIER. I am wondering what the Senator from North Carolina thinks about a certain situation concerning which we have been reading in the newspapers. Many sharecroppers from one of the Southern States have gone on a sort of strike, or have been forced off their lands. What will the newspapers in foreign countries, countries the governments of which we have criticized for their action toward their minorities, think and have to say concerning our refugees, concerning people who are being persecuted in this country?

Mr. REYNOLDS. I wish to say to the Senator that I have been truly distressed over the situation to which he refers. I have read an article of considerable length published in most American daily newspapers, concerning this matter. I had it at my home and I spent considerable time yesterday in reading it. I could very well picture in my mind those poor, undernourished women, elderly men, underfed children, ragged, without sufficient clothes to keep them warm, endeavoring to protect themselves by means of old pieces of canvas and worn blankets from the wintry winds and the snows which were falling. My heart went out in sympathy to them. I have a big heart, I may say to Members of this body, but all the sympathy of that heart first goes to the sharecroppers, to the unfortunate men and women, boys and girls and little children of this country.

The Senator from North Dakota asks, What will the newspapers of other nations say about it? Mr. President, they will give us perfect hell. That is what they will do about it, and we all know it. We have arrived at a time when we must face the issue. We have arrived at a time when we must withdraw our heads from the sands of oblivion and see what is going on around us. Instead of hating people of other countries and cursing them, we had better begin thinking about how we are going to meet their competition.

Mr. LUNDEEN. Mr. President, will the Senator further

Mr. REYNOLDS. I gladly yield. Mr. LUNDEEN. Does not the Senator think it a strange way to encourage our trade, that we should indulge in hating half a dozen countries and so lose all their trade? Does the Senator think that our trade is so prosperous that we can lose more trade by hating an additional number of countries?

Mr. REYNOLDS. Mr. President, I answer the Senator's question by saying "no." It is difficult for me to keep the figures in my mind, but it is my recollection that in the past 3 years we have lost about 43 percent in the exportation of our cotton. If I am wrong, I should like to be corrected, because I want to be informed as to that subject. That, however, is my recollection.

Let us now see what is happening. In the first place, I am of the opinion that we have always attached too much importance to what goes on in Europe.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I am glad to yield to my distinguished colleague from the great State of Pennsylvania.

Mr. DAVIS. Is it not true that certain foreign countries have increased their production of cotton, notably Brazil and Egypt, as well as other countries, and is it not true that we have at the present time greater competition for the cotton we produce than we have ever had before in our history?

Mr. REYNOLDS. That is true. I will answer that in more detail in just a moment, if the Senator will pardon me.

<sup>&</sup>lt;sup>1</sup> World Almanac, 1938.

<sup>2</sup> Estimate of Dr. Willford I. King, formerly economics adviser of National Bureau of Economic Research, now professor of economics of New York University.

Before I forget it I wish to continue along the line I was speaking a moment ago, to explain in part why we have such tremendous unemployment in the United States.

Mr. President, the able Senator from Minnesota a moment ago discussed with me the question of unemployment in the United States. I agreed with him, as the result of my studies, that in my humble private opinion we have about 12,000,000 people unemployed in the United States. But we must consider many things in relation to that unemployment. We have a greater amount of unemployment in the United States than has any other country in the world. When we consider the causes of our unemployment we are not greatly surprised. The United States of America makes utilization of more labor-saving devices than does any other country in all the world. That is point number 1.

I recall that once upon a time I made a trip around the world in an automobile. I had crossed the Italian Alps, and was proceeding southward into Italy towards Milano. In one of the towns in Italy I made a great many motion pictures of some scenes of human interest which I thought might appeal to those in America who like travelogues. I was commercially interested in this matter. While making these photographs my cameraman and I were arrested. We were carried off to the "bastille" or prison. There we were held for several days, and then carried to Turin, where some of our film was destroyed, and where we were held under guard. I recall that while motoring I passed through a great fertile valley, the towering mountains to the right and to the left reaching to the blue heavens of lovely Italy.

To my right and to my left I saw hundreds of Italian farmers plowing as their ancestors did thousands of years before the birth of Christ. There they were, tending their little acreage. I ask Senators to fashion in their minds a hand sufficiently large to pick up those 100,000 acres in that fertile valley of Italy, providing a living for many thousands of small Italian farmers, and set those acres down in our great western plains. If one returned 6 months thereafter, instead of finding many thousands of farmers cultivating the soil, with plows being pulled by milk cows, burros, mules, horses, or combinations of these, he would find only a few hundred farmers, driving the great mechanical instruments of the age, such as the gigantic plows which are used in North Dakota and South Dakota, which plow 40 furrows at once instead of one.

In Turin, which is in one of the northern political subdivisions of Italy, I went into a building two stories high, occupying an entire block. There I saw about 2,000 men and women transcribing records with pen and ink, as was done thousands of years ago. Let us imagine, if possible, a hand sufficiently large to pick up that building and transport it across the Atlantic and set it down on Constitution Avenue in the city of Washington. If we should return within a week, instead of 2,000 men and women transcribing the records with quill pens we should find that 1,500 had been discharged, and the 500 were employed in operating typewriters, mechanically or electrically driven, and duplicating machines of every description.

So it is in every line of industry in the country. We have brought into use more labor-saving devices than has any other country on the face of the earth, which fact largely accounts for unemployment in this country.

Mr. President, I desire to mention something which will be extremely interesting to the honorable Senator who now presides over the Senate (Mr. Ellender in the chair). I say "extremely interesting" for the reason that he and his colleague [Mr. Overton] ably represent the State of Louisiana.

Cotton is produced in Louisiana, North Carolina, South Carolina, northern Georgia, Arkansas, Mississippi, Alabama, Texas, Arizona, New Mexico, and southern California. For 15 years the International Harvester Co., which is ably directed by Colonel McAllister, has been working upon the development and perfection of a labor-saving machine for the purpose of picking cotton. Being interested in the people of North Carolina and the other people of the South, I

made a trip to Chicago at my own expense for the purpose of talking to the president of the International Harvester Co. about this machine.

What did I learn? I learned that several of these machines have been operating successfully in the delta of Arkansas. I learned that one of those machines, operated by 2 men, will pick as much cotton in 1 day as 40 or 50 men. When that machine comes into general use, we in the South shall have more trouble, because we in the South are more interested in cotton than are the people in any other part of the United States. Five million people in the South are dependent, either directly or indirectly, in whole or in part, upon cotton.

So, Mr. President, I take advantage of the opportunity to state why I think such a tremendous amount of unemployment exists in this country. No other country in the world utilizes labor-saving devices to the extent to which they are utilized in the United States.

Another reason why we have more unemployment than any other country in the world—and I shall have to be perfectly frank about this—is that many other nations of the world have been preparing for war. Those nations have utilized all their surplus manpower for the purpose of making preparations to defend themselves, or to attack somebody else.

The able Senator from Pennsylvania [Mr. Davis] has directed to me an inquiry in regard to the production of cotton. We find competition with American cotton in Russia, in China, in India, and in Egypt. Perhaps the competitor which will cause more trouble than all the other competitors in the world combined is Brazil. In that connection I may add that 52 countries in the world are growing cotton. According to the reports of last year, most of those countries have increased their production. I believe the statistics will show that every one of them, down to the very smallest, little Uganda, has tremendously increased its production of cotton.

Not very long ago I was motoring through the West Indies from Port au Prince to Trujillo, in the Dominican Republic. There I saw and talked to the people, and they told me they had doubled their production of cotton.

I say Brazil will cause trouble for this reason: We must remember that Brazil is one-third larger in area than the United States. It must be remembered that there is hardly a square mile of that tremendous country, a country one-third larger than continental United States, upon which cotton cannot be produced. In addition it must be remembered that to prepare land in Brazil for the production of cotton costs about one-tenth as much as it does in this country. As a result we have competition meeting us on every hand.

Mr. President, if I may be indulged, I should like to bring to the attention of the Senate a clipping from the New York Herald Tribune, which I had intended to exhibit earlier today. It was sent to me by an American who is interested in preserving jobs for Americans. The clipping to which I refer is headed "Refugees Seek Licenses Here. Five Hundred Taking Examinations This Month."

In January 1939, 500 foreigners are taking examinations to become practicing physicians, dentists, nurses, and lawyers, at a time when the professional men of this country are having the worst time they ever had in their lives.

## SENATOR FROM TENNESSEE

Mr. McKELLAR. Mr. President, will the Senator yield? Mr. REYNOLDS. I shall be delighted to yield.

Mr. McKELLAR. The newly elected Senator from Tennessee, Mr. Tom Stewart, is present in the Chamber and desires to take the oath of office.

The VICE PRESIDENT. The Senator's credentials were presented on the first day of the session. If the Senator-elect will present himself at the desk, the oath of office will be administered.

Mr. Stewart, escorted by Mr. McKellar (at 1 o'clock and 55 minutes p. m.), advanced to the Vice President's desk, and the oath of office prescribed by law was administered to him by the Vice President.

Mr. McKELLAR. Mr. President, will the Senator further yield?

Mr. REYNOLDS. I gladly yield to the Senator from Ten-

Mr. McKELLAR. Mr. President, my colleague, Mr. Stewart, has just been sworn in and has taken his seat as a Senator in this body. It will be noted from the certificate of the Governor certifying that Mr. Stewart was elected at a general election held on November 8, 1938, in Tennessee. The Governor goes further and states that it is for the unexpired term of Nathan L. Bachman, deceased, beginning on the 3d day of January 1939.

I wish merely to state here and now that the Governor of a State has no right to fix the time at which a Senator elected by the people shall begin his service. This body fixes the time at which his service begins; and the Governor has only the right to certify the fact of election, and whether it is for an unexpired term or a full term.

## IMMIGRATION, UNEMPLOYMENT, AND OTHER PROBLEMS

Mr. REYNOLDS. Mr. President, I am very glad to have been provided the opportunity of yielding to the Senator from Tennessee. By the way, I wish to take advantage of the opportunity to extend my congratulations to the senior Senator from my sister State of Tennessee, and to extend to him the thanks of the American people for having brought about an investigation as to the number of aliens in the United States and its Territories and insular possessions who are holding jobs which belong to the God-fearing, hungry, employment-seeking men and women of the United States. Thank God for Kenneth McKellar, who so ably represents the great State of Tennessee that once upon a time was a part and portion of the greatest State in the Union, my State of North Carolina. [Laughter.]

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I shall be delighted to yield to the Senator from Pennsylvania.

Mr. DAVIS. The Senator has given much study to the question of immigration, and I should appreciate it greatly if the Senator would give me the latest estimate of the number of aliens who are illegally in this country.

Mr. REYNOLDS. The Senator desires to have me tell him how many aliens there are in the United States at the present time, who came here and are here now illegally, in violation of our law. I wish to say to the Senator that I am of the opinion there are 7,000,000 aliens in the United States who came here illegally and are here now in violation of our law. Those who disagree with that statement will say, "Oh, no; you are wrong; there are only 2,000,000 aliens here illegally." I cannot prove that the one who makes such an assertion is wrong, nor can I prove that I am right. Why? Because in this country-I admit it with shame-we have no registration law, and, as a result thereof, we do not know how many aliens there are in this country, illegally remaining here in violation of our law. We are the only country upon the face of the earth that does not keep track of the aliens within its midst.

In that connection, I wish to say to you, Mr. President, and to the Senators who are present, and who are evidently greatly interested, that the thing for us to guard against in America today is the enemies within, and not so much thought should be given to the enemies without.

I recall, Mr. President, the oath that I took on yonder rostrum the other day when I was sworn in for another 6-year term in the Senate. I was impressed by that oath, as were the other 32 Members of this body who were sworn in at the same time, and I hope the Senate will give me its very best attention while I read that oath.

Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies—

I did and I do foreign and domestic;

I did and I do-

that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation

or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter: So help you God.

I took that oath, and in taking that oath I swore, as did every other Member of this body, that I would defend the Constitution of the United States against all enemies. "All enemies" includes both foreign and domestic enemies. The interpretation that I am now pleased to put upon the words "domestic enemies" is enemy aliens within our midst who are endeavoring to overthrow our Government, who are endeavoring to destroy our Constitution.

They are the ones to whom I am referring, and I say that no man can prove that I am in error, for we do not have a registration law in this country. I say that if war were to be declared tomorrow against the United States, if we were to experience an invasion, we would have 7,000,000 potential enemies spying within our midst; and enemies spying within our midst, boring from within like termites, are much more dangerous than enemies from without, because an enemy from without may be observed. So I ask what is the use of our spending billions of dollars for a national-defense program and to provide an adequate defense to protect and safeguard the 135,000,000 people of America when, in truth and in fact, if an enemy from without were firing at us the enemy within, the termites, would be boring? Termites cannot be seen; they bore from within; they cannot be located. So I say that in connection with the national-defense program we should pass bills which I have introduced to expel every alien who is here illegally, to expel every alien criminal or enemy. Without such legislation the national-defense program will not be what the American people want it to be.

I should like to proceed with the reading of this article. In the headline it is further stated:

Five hundred taking examinations this month.

This article is from the New York Herald Tribune, and I am reading it for the inspiration of American fathers and mothers who have spent all the money they could make in educating their sons and daughters, some to be lawyers, some to be physicians, some to be nurses, and some to be dentists. It must be a great source of inspiration to the fathers and mothers of America when they hear that we are permitting doctors and other professional men of every description to come into this country and take away professional work from our own native sons and daughters.

By the way, Mr. President, as you know, the lawyers are having a tough time in this country; but it is their own fault. In the respective legislatures of the country they have legislated themselves out of business. The collection agencies are doing all the collecting; the real-estate men are drawing the deeds; the title companies are examining the titles; and the banks and trust companies are drawing wills and settling estates. So the poor lawyers are out in the cold. I do not care, for they are out there, and I am here; but it is their own fault, because they have legislated themselves out of their business and are getting just what is coming to them. Now listen to this:

Flunked doctors-

Senators will understand the term "flunked"— are suing.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield to the Senator from Kentucky. Mr. BARKLEY. Does not the Senator think it is really a tribute to the unselfishness of the members of the American bar that they have been willing to legislate themselves out of business if by doing so they have helped the general welfare?

Mr. REYNOLDS. I do not think they have helped the general welfare a great deal. I think there are lawyers in this country, as a whole, who are just as competent to handle all the business they formerly handled as are any lawyers selected by banks, trust companies, insurance companies, or any other corporations.

Mr. BARKLEY. Of course, if the Senator will yield further, one of the items in the category of legislation which

has taken away business from the lawyer is workmen's compensation laws of the various States, statutes designed to benefit thuse who are injured in industry and in other occupations. The lawyers in the legislatures have voted for that kind of legislation.

Mr. REYNOLDS. I think that is very commendable of them.

Mr. BARKLEY. It is commendable, and I think they ought to be congratulated upon being willing to advance the public welfare even at their own expense.

Mr. REYNOLDS. I quite agree with the Senator that lawyers are very broad-minded and are always sympathetic and thoughtful of their fellow men.

Now, Mr. President, to repeat what I was reading:

Flunked doctors are suing.

That means they have failed.

Launch court fights for right to practice without test.

And then, Mr. President and Members of the Senate. listen to this:

Unsettled conditions in central Europe have caused an unusually large number of foreign professional men to seek to qualify to practice in this State, and some 500 of them are now attempting to qualify for the license examinations which will be given from January 23 to 28. Preliminary examinations in English must be passed; some have taken these already, and others are taking them this week

The applicants are for the most part Germans, with a considerable number of Austrians and several Czechs. The majority are physicians. Lawyers and dentists come next in order, and there are also a few engineers and pharmacists.

About 700 applications to take the examinations were received, and about 500 have registered for the English examinations. Many of the other 200 filed their applications from abread in anticipations from abread in anticipations.

of the other 200 filed their applications from abroad, in anticipa-tion of coming here, but for one reason or another have not carried out their plans. How many will pass the language tests, both oral and written, remains to be seen, and then, of course, will come the examinations as to professional qualifications.

#### EASIER FOR NEW GRADUATES

One foreign physician who recently did thus obtain a license to practice here, said that these tests were difficult for medical men, and would be difficult for other professional workers also, because

of their nature.

They are the same examinations which young American medical graduates just out of school are required to take in order to obtain licenses, and are devised for them.

I say we ought not to permit a single person from foreign shores to set foot upon the shores of America for the next 10 years or longer, until such time as every unemployed American has been provided with remunerative employment.

The immigrants are in large part men who have spent considerable time in practice, and often they find difficulty in going back to the rudiments, especially when, even though they may pass the examinations in English, they must write their answers in an unaccustomed language.

They are in just the same situation as any college graduate might find himself 10 or 20 years after graduation if he had to pass a precise examination in a subject with which he had lost his full

schooltime familiarity.

Now. listen to this:

They sue to upset regulations.

Who sues? The alien sues to upset the American regulations. Listen to this:

There is a possibility, however, that most, if not all, of these professional men, and others who have applied before them and have been rejected, may get the right to practice without passing examinations.

Can you beat that? Listen to this:

A group of German refugee physicians who failed to pass examinations—

Lord have mercy-

has taken to court the measure passed on September 21, 1936, by the board of regents, setting up this requirement for licensure. A decision on the matter from the appellate division is awaited, and it may eventually go to the Supreme Court of the United States.

Can you equal it? German refugee physicians say they will not abide by our decisions and by our laws. In order to practice without passing the required examination, they are trying to upset the laws of the country, and threaten to take the matter to the United States Supreme Court, and we permit them to do it, with all our young professional doctors and nurses and dentists and lawyers out of work.

Mr. LUNDEEN. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Minnesota?

Mr. REYNOLDS. I shall be glad to yield to the Senator from Minnesota

Mr. LUNDEEN. After the Senator finishes reading the article I should like to ask him some questions about it.

Mr. REYNOLDS. Very well.

The point at issue is whether they may not obtain licenses in the way in which they were granted to foreign physicians prior to the regents' ruling. Then a graduate of a university abroad, on proving that he had practiced medicine for 5 years, received a license without any other examination.

The aliens are going to carry the matter to the Supreme Court of the United States.

New York doctors fearful.

This is the first time I have read this article.

Many local physicians have been viewing with increasing alarm the situation created by the growing influx of foreign competitors in recent refugee times. Until recent years, few such doctors came here except for special reasons, and the courtesy of permitting them to practice did no harm to American physicians.

The latter—

That is, the New York doctors-

now feel that inroads on their practices are being made, and are growing greater, because of the sudden appearance of so many

This is especially true in New York City for several reasons. It is a principal port of entry, where those who are admitted are likely

The city of New York used to be the melting pot of the world; but it is no longer the melting pot of the world, as all of us know.

There is, furthermore, a large foreign population here, among which the newly arrived medicos could build up clienteles. In addition a number of States have put restrictions even more drastic than the challenged one of the board of regents on licensure; some even require full citizenship as a qualification.

These refugees, these foreigners, these professional men are actually contesting the rulings of the board of regents.

The local feeling is accentuated by the fact that a medical man born, reared, and educated from kindergarten to his final acquisi-tion of a medical diploma in this city must pass an examination.

And these foreigners say, "You must let us practice without passing an examination or we will take the matter to the Supreme Court of the United States. What do we care about the laws of the United States?"

That shows how much respect they have for us.

Mr. LUNDEEN. Mr. President

Mr. REYNOLDS. I yield to the Senator from Minnesota. Mr. LUNDEEN. Does the Senator mean to say that the refugees have an idea that the Supreme Court might sustain their position?

Mr. REYNOLDS. They have the idea that they can upset the ruling of the board of regents, and intimate that they will take the matter to the Supreme Court of the United States. They are going to practice here "whether or not."

The rule under which others do not have to do so is a reciprocity measure, granting licenses to physicians licensed in States of the United States where the licensing boards have standards as high as those of New York, and also making provision for the admission of foreign physicians who can prove graduation and 5 years of practice. In most foreign countries, graduation from a medical school is all that is required to set un in practice. that is required to set up in practice.

That is in foreign countries; but here in the United States, after a young man has graduated from a medical school, in many instances we not only require him to serve as an interne in some of our larger hospitals but we require him to pass an examination.

The test case has so far, through one stage, gone against the State. These aliens are going to make a test of the matter. They come over here and want to practice medicine, dentistry, and law despite the fact that our young American sons are having

a hard time making a living in those professions; and the aliens have the gall, the audacity, the nerve to say, "We will upset the laws of the regents."

The German refugee physicians sued for a writ of mandamus to compel the board of regents to license them without examination, and after a referee had taken evidence the decision was in their

Did you ever in all your life hear of such unmitigated gall? I never did.

The ruling was at once appealed, however, to the appellate division, third judicial department, at Albany, where the board has its headquarters, and is awaiting a finding there. That it will go on up at least to the highest court of the State is not doubted. The three petitioners in whose favor Justice Foster decided in

Albany on August 5, 1938, are Drs. Julius Levi, Paul Erlanger, and Maximilian Lewitter.

Does the Senator from Minnesota wish to ask me another question?

Mr. LUNDEEN. Mr. President, if the Senator will permit me, recently we returned from Puerto Rico and Santo Domingo, and came to the port of New York; and there we were told that the Europa was arriving from Germany with 1,500 refugees. I said, "What will these poor people do? What can they do to employ themselves here in America?" I was told by an officer of the port that that was easy; that they had all been promised jobs within 2 weeks. I have information that that is substantially correct. Certain information that that is substantially correct. officials of the community were referred to in that connection. That means, if the Senator will permit a further statement, that native Americans will have to go off the pay roll, and will have to walk the streets of New York wearing out their shoe leather in their native land, under their own flag, looking for employment while refugees from foreign countries are coming here and taking their jobs away from them. I am opposed to any such policy.

Mr. REYNOLDS. I am very happy to be provided with that additional inspiration by the Senator from Minnesota. I take this opportunity to congratulate the people of the Senator's great commonwealth upon the fine judgment they exhibited and evidenced and utilized in sending such an able individual to represent them in the upper House of the National Congress. In that connnection I am very happy indeed that the Senator from Minnesota made that statement. He asked me if the refugees of the world are to displace the boys and girls, the men and women of America. From what the Senator has stated, and from what I will now reveal to him. I must shamefully admit that they are

going to displace them.

As evidence of that fact, let me read a letter. I will state to the Senator that I have had thousands upon thousands of letters and telegrams on this subject from all over the United States; and the American people are going to demand that we say whether we are for aliens or whether we are for Americans.

This letter is dated January 10, 1939. I could bring thousands of letters of the same kind to the attention of the Senate. This letter is from Overland, Mo. You have to "show me." This is one of those "show me" letters, because the writer put the evidence right here with it.

Senator REYNOLDS.

U. S. Senate, Washington, D. C.
Dear Senator: News dispatches of January 6 state that you are proposing a bill to suspend all immigration.

The gentleman is correct. I have introduced a bill to suspend all immigration for the next 10 years, or until such time as all of the unemployed of the United States have been employed.

Your proposed legislation will eliminate in part the economic ills that confront this country; also it will create in the minds of the 12,000,000 unemployed Americans a deeper and firmer respect for the United States Government. It will be of greater benefit to the stability of our country than a hundred of Representative Dres' investigating committees.

The incident in the attached news item has done far more harm to the United States Government than all the agents and propaganda of communism, fascisism, nazi-ism, and all other foreign isms which are detrimental to our form of government.

It has made the unemployed of our country ask why this, their own Government and fellow citizens, consider that citizens of other countries are better than the unemployed American citizen, and why should aliens be given jobs in industry while the unfortunate American citizens are put on relief or are given jobs on the W. P. A. They ask why this discrimination against the American citizen by the United States Government and American industry should exist.

Surely there are law-abiding men in New York City who do not have jobs, who perhaps are on relief or who are on the W. P. A. rolls. Some of them have fought for this country. All of them have paid

Some of them have fought for this country. All of them have paid taxes—Federal, State, and city. Surely they are capable of holding the jobs given to the Kirshenblatt family, citizens of Poland.

The interest and well-being of every one of the 12,000,000 unemployed American citizens should come before that of citizens of any

continued unemployment year after year constitutes the greatest threat to our democracy, as it gives the unemployed an opportunity to think of some of the inequalities and injustices practiced in this

our own country.

I want to take this opportunity to thank you for your splendid work in behalf of the unemployed American citizen. I also wish you every success in your endeavor.

An unemployed American who wants very much to be a good American citizen.

Sincerely yours,

Senators, this is serious; this is no laughing matter. We had better begin to put on our thinking caps. We had better begin to think more about the American people and less about people in other sections of the world.

Now let me read from an article appearing in the St. Louis Post-Dispatch, sent out by the Associated Press. It is headed:

Immigrant refugee family making \$95 a week seeks escrow fund; \$5,000 was deposited to guarantee members would not become public charges.

When an immigrant comes to this country, he is required, under the rulings of the State Department, to deposit a certain amount of money, or provide proof to the effect that he will not become a public charge.

This Associated Press dispatch is dated New York City, November 29, 1938-just a few weeks ago.

The success story-

This is a success story. It is not a bedtime story. It would not put anyone to sleep. It would not provide inspiration for the boy or the girl who wants to become a good American citizen and who wants the opportunities this country has always afforded. Instead of putting to sleep the fathers and mothers who read it at bedtime, it will wake them up, and they will not sleep at all when they begin to think about this. Let us see what is stated:

The success story of the Morris Kirshenblatts raised an unusual

problem in State supreme court yesterday.

The Kirshenblatts came here last April from Warsaw, Poland.

Morris' wife, Myndla, told the court in an affidavit.

Now the family

The Kirshenblatt family, who came from Warsaw, Poland-

is earning \$95 a week and would like to have back in a lump sum, so they can invest it in some business, \$3,050 of the \$5,000 originally deposited to guarantee they would not become public charges in the United States.

When they came here they had to put up \$5,000 in cash to guarantee that they would not become public charges. They arrived here, and all of them got jobs, and now they want \$3,050 of the \$5,000 back so that they can invest it.

Mr. LUNDEEN. What is the date of the article?

Mr. REYNOLDS. November 29, 1938, and it is dated New York City.

Mr. LUNDEEN. That exactly verifies the statement I made a moment ago, that the people who come here get jobs at the expense of native Americans.

Mr. REYNOLDS. Absolutely, and I thank the Senator for that valuable contribution.

Mr. DAVIS. Mr. President-

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). Does the Senator from North Carolina yield to the Senator from Pennsylvania?

Mr. REYNOLDS. I yield.

Mr. DAVIS. No doubt the Senator knows that if a job is promised without permission from the Secretary of Labor before an alien comes to the United States, it is a violation of the contract-labor law, and the person violating that law

is subject to fine and deportation.

Mr. LUNDEEN. I know that the Senator from Pennsylvania is the highest authority on that subject, and I am glad to have the information. But is that law being observed? I doubt it.

Mr. REYNOLDS. I yield to the Senator from Pennsylvania to reply.

Mr. DAVIS. I do not know whether or not the law is being enforced. I presume it is, because it is the duty of the Secretary of Labor to enforce the law.

Mr. LUNDEEN. I am sure I hope it is being enforced. Mr. REYNOLDS. Now, Mr. President, I should like to tell the Members of the Senate about this Kirshenblatt family. They are earning \$95 a week, and would like to have back in a lump sum \$3,050 of the \$5,000 they put up. Let us find out what they are doing.

Morris Kirshenblatt-

the affidavit said-

is employed as a watchmaker at \$35 a week.

Plenty of American watchmakers are out of work, but, as the Senator from Minnesota so ably stated a moment ago, it appears that those who are coming from foreign shores can enter the United States and get work, though millions of Americans cannot get work.

Morris Kirshenblatt is employed as a watchmaker at \$35 week. Abraham, their eldest son, earns \$25 a week; Jerome, 22, \$20 a week; and Henry, 18, \$15 a week. The fourth son, David,

The arrangement made with the Public National Bank & Trust Co. before they took up permanent residence was that the bank would hold their \$5,000 in escrow, with \$1,000 delivered to Mrs. Kirshenblatt on her arrival and the balance in \$150 monthly installments.

Mrs. Kirshenblatt says the family does not need to have the money doled out \$150 at a time.

They do not need it; they are making money that ought to be going to American unemployed.

The bank opposed her motion for a summary judgment. Its counsel argued it would be "contrary to public policy" to jeopardize any machinery, outlined in a Federal statute, "which expedites the immigration of aliens subject to the disturbances abroad." Justice Louis Valente took the case under advisement.

Mr. President, while the able senior Senator from the great State of Tennessee [Mr. McKellar], with whom I am more than honored to claim friendship, is present, I wish to read a clipping which I have from an issue of the New York Herald Tribune under a Washington, D. C., date line. Again, I wish publicly to congratulate the Senator from Tennessee for his forethought and fine work for the American people in sponsoring an investigation to determine the number of aliens in the employ of the United States Government when there are 12,000,000 American citizens out of employment. That investigation was the result of a resolution presented by the Senator from Tennessee, who honors me with his presence at this time, a man of whom all who reside within the confines of Tennessee should be proud. Knowing him as I do, and being familiar with the fine work he is doing for Americans, being cognizant of the splendid work he did in providing the South with the largest national park east of the Rocky Mountains, I desire to state that I hope the citizens of Tennessee will continue to entertain the fine opinion of this Senator they have had in the past, and will keep him in the Senate as long as he lives. And may he live to be at least a hundred.

The article to which I now refer has a Washington, D. C., date line, and is as follows:

Less than 200 of the 12,000 aliens employed by the Federal Government are stationed in continental United States, it was dis-closed today in reports filed with Congress by heads of various

Government departments and agencies.
Submitted in response to a resolution introduced last session
by Senator Kenneth McKellar, Democrat, of Tennessee, during debate over employment of aliens by the Works Progress Administration, the reports listed all aliens on Federal pay rolls.

The largest group—9,600—are employed in the Panama Canal Zone because of the scarcity of American workmen.

Before I read the next sentence I wish to say that I was in the Panama Canal Zone, together with my distinguished friend, the junior Senator from Indiana [Mr. MINTON], and our friend from Wisconsin, F. Ryan Duffy, who is no longer with us in this body. I there learned, as did my colleagues who were on this mission, of the large number of aliens who were there employed. I shall read again:

The largest group—9,600—are employed in the Panama Canal Zone, because of the scarcity of American workmen.

I shall be perfectly frank in stating that I am highly in favor of substituting American labor for at least seventenths of the 9,600 referred to who are employed in the Panama Canal Zone. I believe that no one can successfully maintain that we cannot find in this country American laborers who would like to go to the Panama Canal Zone and receive the fine wages which are being paid there to aliens.

Mr. McKELLAR. Mr. President, will the Senator again

vield?

Mr. REYNOLDS. I yield to the Senator from Tennessee. Mr. McKELLAR. The Senator referred to the wages now being paid to aliens.

Mr. REYNOLDS. Yes; to the wages now being paid to aliens.

Mr. McKELLAR. As everyone knows, Mr. President, the Panama Canal is one of the chief military points in the defensive set-up of the United States. It is vastly important to us. It is also vastly important that we have only American citizens on guard at that point. The Panama Canal is probably the most strategic point which the United States possesses. Certainly, with all the money we have to spend there, no man should be employed there in any capacity unless he is an American citizen.

The Senator from North Carolina knows from actual experience, because he has been there, as I have, that the Canal Zone is a healthy place to live. Sanitary conditions are excellent. The housing conditions are good, and are being improved, though I think we should further improve them. No particular illness is prevalent there which is not to be found anywhere. The Panama Canal Zone is a very healthful community, and, in my judgment, no reason in the world exists why we should employ so many aliens, even though they are in minor positions in that place which comprises the most strategic defense position we have.

Mr. DAVIS. Several hundred Americans live there. Apparently they like to live there and serve their Government.

Mr. McKELLAR. I have no doubt of that. I, myself, know some of those who live there. I wish to say to the Senator from North Carolina that the figures given in the reports which we have already received do not constitute the figures for the entire number of aliens working for the Government in the Panama Canal Zone. Several departments have not yet sent in their figures. I believe the Navy Department has not reported. Those departments will send their figures later, and then we will find just what the conditions are in that respect.

Mr. President, I do not wish to do any alien an injustice under any circumstances, but I think that in this time in our history we should look after our own affairs first. That is

the underlying principle on which we should act.

I call to the Senator's attention a bill which I introduced in the last session, and which I have reintroduced today, which provides that no Government department shall employ aliens. No other government that I know of employs aliens. The only real argument which has been advanced to me in favor of employing aliens is in connection with the employment of certain Chinese interpreters. As we all know, the Chinese language is a very difficult one, and it may be proper on occasions to employ a very few Chinese interpreters.

Mr. REYNOLDS. I am in thorough accord with the Senator's view.

Mr. McKELLAR. But their employment ought not to be permanent. We ought to use our own people in Government service as much as possible. I hope the Senator will vote for the bill, which provides that no alien shall be employed in any of our departments, especially by the Army, the Navy, the Marine Corps, or the Air Corps,

Mr. REYNOLDS. I thank the Senator from Tennessee very much for his able contribution. I am sure that the American people, who are interested in preserving America for Americans, will be very grateful to the Senator from Tennessee for his valuable, patriotic contribution at this hour.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. REYNOLDS. I gladly yield to the Senator from Ken-

Mr. BARKLEY. I am not familiar with the reason why in most cases persons who are not citizens are employed by the Government of the United States. I understand that for the most part it takes place in foreign countries where we have legations and consulates and embassies. In the Panama Canal Zone, of course, a different situation exists. Congress itself might remedy the situation by appropriating sufficient money to man our embassies and legations and consulates in other countries so as to make it unnecessary to employ aliens who are now employed because Americans are not willing to go and work in foreign countries for the salary paid.

My recollection is that in one or two of our embassies or legations abroad, which I have had the pleasure of visiting, there were minor clerkships, which may pay a thousand dollars or \$1,200 a year, or even less, the occupants of which were aliens. When the inquiry was made as to why that was true, in addition to the statement with respect to the low salary, in some cases it was stated that a peculiar type of service exists and the Department thinks it is necessary that that service be rendered by somebody who is on the ground and able to speak the language. It was also stated, as I said, that the compensation connected with the position is not sufficient to warrant a qualified American leaving the United States and going to Budapest, or to Bucharest, or to Vienna, when we had a legation there, or to other countries.

I have visited the Canal Zone many times. I wish to ask the Senator if he knows that there are Americans in the Canal Zone who are out of employment because aliens are employed there? Are there enough Americans down there to fill the places without employing any Panamanians?

Mr. REYNOLDS. I should say, in answer to the question of the Senator from Kentucky, that I have never heard of any Americans in the Canal Zone being thrown out of employment as the result of employment of Panamanians or other aliens. There are in Panama quite a number of Jamaicans, a few persons from Cuba, and others from the Dominican Republic.

The point the Senator from Tennessee [Mr. McKellar] and I are making, if I judge his attitude correctly, is that the employees in the Canal Zone receive good pay, when compared with pay received for like employment here. The employees' homes in the Panama Canal Zone are very good. They are screened against mosquitoes and other insects. There is no longer any yellow fever in the Canal Zone. Living conditions and health conditions there are as wholesome as in many parts of the United States.

I should state to the Senator from Kentucky that I am in accord with what he said to a large extent. I now again desire the attention of the Senator from Tennessee insofar as the matter of employment of interpreters is concerned. I will give a concrete illustration. Only last month I was in Tirana, the capital of Albania, and there I spent several days, and observed that our Minister, Mr. Grant, had employed an interpreter who was an Albanian. Mr. Grant is a very able gentleman and is very popular with the Albanians. While on the subject, I may say that we have a great many Albanians living in the State of Illinois, and they have made fine citizens.

I observed that our Minister had employed a full-time interpreter. Although Albania is but a small country, having a total population of only 1,010,000 people, the Minister has a great deal of business to transact. I observed that from early morning to late at night Albanian people were coming to talk with our able Minister, and of necessity he

had occasion at times to have a capable interpreter. He did have a very fine interpreter. Of course, it would be very difficult to find an American who spoke the Albanian language as well as that interpreter did, and who would work for the salary he received. My recollection is that the interpreter was paid only \$100 or \$125 a month.

We must, of course, have interpreters in Japan, in China, in Siam, in Indo-China, in Bulgaria, in Turkey, in Greece, in Syria, in Yugoslavia, and all the countries of the world where the English language is not spoken. We have to have them; we could not very well dispense with them. We could not get American interpreters to go to those countries and serve at the salaries we pay. In those instances I think we should facilitate the work of our foreign representatives by maintaining competent interpreters for their use.

I continue to read from the newspaper article:

The largest group—9,600—are employed in the Panama Canal Zone because of the scarcity of American workmen. The second largest—2,000—are employed by the State Department in its consulates and legations in foreign countries.

We have just discussed that matter.

Before I leave the subject of the Panama Canal, which was brought up so very forcefully by the Senator from Tennessee, let me say that I recall having observed through the columns of the press a few days ago that the Senator from Tennessee has introduced in the present Congress a bill calling for the appropriation of \$200,000,000 for the construction of another canal, the Nicaraguan Canal. I know the Senator from Tennessee introduced the bill for the very reason that he is fearful that at some time the Panama Canal may be destroyed by enemy forces. Were the Panama Canal destroyed by enemy forces, it would be necessary for our fleet in the Pacific, in crossing to the Atlantic, to go southward, through the Strait of Magellan, and then back up the eastern coast of South, Central, and North America to its base. The point is a very important one, and the Senator put it well when he said that in our scheme of national defense unquestionably it is the most important, because if the Panama Canal were destroyed it would be difficult for us to bring our fleet from the Pacific into the Atlantic.

In other words, the Panama Canal might properly be termed America's life line. The Panama Canal is to the people of the United States what the Suez Canal is to Great Britain, because the Suez Canal is a part and portion of Great Britain's life line, which leads from the British Isles southward around Gibraltar, eastward through the Mediterranean, and southward through the Suez Canal, the Red Sea, and the Indian Ocean to Singapore, the Dutch East Indies, and Australia. The Panama Canal is just as important to us as the Suez Canal is to Great Britain.

Mr. McKELLAR. Mr. President, will the Senator yield? Mr. REYNOLDS. I yield.

Mr. McKELLAR. The Senator speaks of a bill to construct a Nicaraguan Canal. I have introduced such a bill. At present the Panama Canal is taxed substantially to its capacity. It now has two shifts of 8 hours each per day. Of course, another shift could be established, slightly increasing the capacity; but the time will come in a very short while, before we could possibly build a Nicaraguan Canal, when we shall need another canal for commercial purposes.

As the Senator knows, under the Bulwer-Clayton treaty of 1852, foreign nations, especially Great Britain, have an interest in the Panama Canal and have certain rights concerning it. We already have a right-of-way through Nicaragua.

Mr. REYNOLDS. My information is that we have a 100year lease. I do not know the details.

Mr. McKELLAR. We already have the right-of-way bought and paid for. Such a canal would be a sea-level canal.

We must do one of two things: Either we must increase the width of the Panama Canal so as to make it a double canal, or we must build a canal in Nicaragua. To my mind it would be infinitely better to build a Nicaraguan canal, for the reason that it would be an all-American canal. We should not have to deal with any other nation except the nation through which

the canal would go, and we already have permission to build that canal.

In the next place, the Nicaraguan canal would be 600 miles nearer the United States than the Panama Canal. It would be of immense benefit to us in the way of national defense; and, in my judgment, America could not do a safer or a wiser thing than to build a Nicaraguan canal.

Mr. REYNOLDS. Does the Senator think we could complete the construction of such a canal for \$200,000,000?

Mr. McKELLAR. I doubt it. However, it would not cost very much more than that, in my judgment. I think we could construct an all-American canal through Nicaragua more cheaply than we could double the capacity of the Panama Canal. Then, too, if damage should result to one canal, the other would be open, and we should at all times be protected.

For those reasons I introduced a bill on the subject some years ago and have continued to reintroduce it at every Congress since that time. At this time, while the whole world seems to be ready to erupt, I hope we may prepare for what may come in the future.

Mr. REYNOLDS. Let me say to the Senator that I have an open mind on the question of the construction of another canal. When the bill comes before us, I intend to give thorough consideration to the question whether or not we ought to have another canal. I do not know. The Senator from Tennessee knows much more about the subject than I do, because I am confident that he has studied it very thoroughly. I do not know whether or not a Nicaraguan canal could be constructed for \$200,000,000. However, when it comes to the cost of construction of such a canal, compared to the cost of naval construction, \$200,000,000 is merely a drop in the bucket.

Mr. MINTON. Mr. President, will the Senator yield? Mr. REYNOLDS. I will yield in just a moment.

The other day I learned that we contemplate the construction of two 45,000-ton battleships, and the estimate for construction of each one of those battleships is anywhere from \$90,000,000 to \$110,000,000. As a matter of fact, if we could build the proposed canal for \$200,000,000, the amount would represent merely the cost of two battleships.

I now gladly yield to the junior Senator from Indiana,

Mr. MINTON. Does the Senator think we could build a Nicaraguan canal for \$200,000,000, when we are now told that it would cost \$200,000,000 to put an additional set of locks in the Panama Canal?

Mr. REYNOLDS. As a matter of fact, that is the very question about which I made inquiry a moment ago, when I directed a question to the Senator from Tennessee. I respectfully question the figure \$200,000,000.

Mr. McKELLAR. I doubt very seriously whether \$200,-000,000 would be sufficient. However, that question is wholly unimportant. If it should require more money, we should have to spend more money to build it. However, from the information we have, and the reports of engineers, I really believe a canal through Nicaragua could be built for less money than it would cost to double the capacity of the Panama Canal.

Mr. REYNOLDS. I thank the Senator very much.

I continue to read from the newspaper clipping to which I have referred:

The Post Office Department reported no alien employees, as did the Civil Service Commission, the Tariff Commission and the Central Statistical Board

The W. P. A. listed 18 aliens, all of whom are applicants for citizenship, in important positions. However, its report did not give the number of aliens among relief workers.

The Chief of Army Engineers reported approximately 20 alien relief workers on flood-control projects in California.

The Department of Agriculture listed 89 aliens, 28 of whom are employed abroad by the Bureau of Agricultural Economics, 6 in the Bureau of Entomology and Plant Quarantine in foreign countries, 13 are laborers for the Bureau of Public Roads in Alaska and Central America, 5 are soil research experts, and 12 are employed seasonally as woodsmen in the Forest Service.

An elevator boy and the assistant superintendent of charwomen were listed by the Federal Reserve Board as not naturalized.

I suppose we could not find an American boy with enough sense to run that elevator. It was necessary to employ an alien.

The Department of Labor disclosed that it employs five Chinese and two Japanese interpreters in the Bureau of Immigration and Naturalization.

I assume that is essential, Mr. President.

Both the State and Agriculture Departments explained that considerable money was saved by hiring foreign employees for offices abroad at wages prevailing in the vicinity.

As suggested by the able majority leader, the Senator from Kentucky [Mr. BARKLEY].

In a long letter, Gov. C. S. Ridley, of the Canal Zone, explained that the scarcity of American laborers made it necessary to "draw on the large reserves of native workmen in Panama City and Colon."

Four alien employees, all of whom are seeking citizenship, were listed by the Department of Justice.

It appears that those who want jobs apply for citizenship. It does not appear that they apply for citizenship prior to seeking jobs with the American Government.

During the course of my remarks today a gentleman whom I know very well sent me a note, reading as follows:

DEAR BOB: There is now employed in the accounting division of a certain division of the Government a young man from Holland or Germany who is not naturalized, and who has been in the country only 3 years. How come?

As a matter of fact, millions of people in the United States are today asking, "How does it happen that so many foreigners are permitted to come into the country and usurp American jobs?" And "Why is it so many boys and girls are prevented from realizing the opportunity of obtaining employment when all these people from foreign shores are permitted to come into the country?" So on every hand we have the inquiry, "Why do we not stop people coming from other sections of the world and taking the jobs which rightfully belong to American citizens?"

Mr. President, I had intended reading a number of letters from my files. Thousands of letters on this subject have come to me from all parts of the United States. However, in view of the fact that the hour is growing late, I think I shall terminate my remarks for the day.

#### COMMITTEE SERVICE

On motion of Mr. BARKLEY, and by unanimous consent, it

Ordered, That the Senator from Tennessee [Mr. Stewart] be assigned to service on the following committees: Agriculture and Forestry, Immigration, Interoceanic Canals, Interstate Commerce, and Privileges and Elections.

#### KELLOGG-BRIAND PEACE PACT

Mr. FRAZIER. Mr. President, on January 15, 1929, the United States Senate ratified the treaty known as the Kellogg-Briand Peace Pact. In our RECORD of January 15, 1929. it was called a multilateral treaty for the renunciation of war. The common interpretation of the treaty was that it was an instrument for the renunciation of war.

More than 60 nations of the world ratified the same treaty, and those who believed in and who wanted world peace felt that the Kellogg-Briand Peace Pact was a great

step toward world peace.

I remember some statements made on the floor of the Senate when the treaty was being discussed, to the effect that it would not be lived up to, it would not amount to anything, and remarks of that nature. However, according to our Constitution, a treaty ratified by the United States Senate-and this treaty was practically unanimously ratified—is a part of the law of the land.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. FRAZIER. I yield.

Mr. REYNOLDS. I was engaged in conversation with another Senator at the time the Senator from North Dakota began his statement. To what treaty does the Senator

Mr. FRAZIER. The Kellogg-Briand Peace Pact.

Mr. REYNOLDS. I thank the Senator.

Mr. FRAZIER. We believed that the adoption of the Kellogg-Briand Peace Pact for the renunciation of war would mean that we would prepare for peace instead of for war. Many of us were greatly embarrassed and much distressed because immediately after the adoption of that treaty to renounce war our own Nation started to increase its appropriations for war purposes. Ever since 1929 the United States Government has continued to increase its appropriations for war purposes, until the Congress is now being asked at this session of Congress to appropriate practically one and a half billion dollars, or thereabouts, for war preparations.

We have repeatedly increased our appropriations until we have led the mad rush of the nations of the world to increase armaments. In my opinion, it has largely been the example set by the United States Government that has caused the wild scramble for increased armaments on the part of all the great nations of the world.

Mr. President, the Senator from North Carolina, in his recent remarks, estimated that the World War had cost us more than \$69,000,000,000 up to the present time, and intimated that, in all probability, it will have cost us more than a hundred billion dollars before the last bill shall have been finally paid.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. FRAZIER. I am glad to yield to the Senator from North Carolina.

Mr. REYNOLDS. The Senator will probably recall that a number of years ago President Coolidge made the estimate to the effect that before we shall have liquidated the obligations incurred as a result of our participation in the World War the cost to us will have been in excess of \$100,000,000,000, and it is my understanding, from all the information I can gather, that our brief participation in the World War has up to this time cost us more than \$69,000,000. The Senator will recall that at the close of the World War, on the date of the armistice, November 11, 1918, we had more than 4,400,000 men in uniform and under arms.

Mr. FRAZIER. I thank the Senator for his contribution. I think, undoubtedly, President Coolidge was correct, and that the Senator from North Carolina is correct in saying that it will cost us more than a hundred million dollars before the World War is finally paid for.

Outside of that, it cost 10,000,000 men who were killed during the course of that war and thousands who have died since because of injuries received. Thousands of our boys lost their reason, went insane, because of the experiences they endured in the trenches. It has been a wonder to me that many thousands more did not become insane because of their experiences during the World War. Yet at the present time prominent military officials have been making the statement that we are making preparations for an army and navy and an air force, of the same size we had in 1918 and 1919, and even to make them greater. It looks that way to me. No one can make me believe that appropriations, running into the billions of dollars for building battleships costing over a hundred million dollars apiece, and probably running to \$150,000,000, and entailing an expense of probably several million dollars each year for operation, are being built for peace and not for war. In my opinion, we are making preparation for war. We are proceeding absolutely contrary to the treaty which the Senate ratified 10 years ago

It seems to me, Mr. President, that every thinking citizen, and every Member of the Senate who took the oath, of office which the Senator from North Carolina read on the floor of the Senate a few moments ago, should weigh the recommendations for increased appropriations for war purposes very carefully before voting to plunge this Government deeper into debt by another billion and a half or two billion dollars at the present session of the Congress.

Mr. REYNOLDS. Mr. President, will the Senator yield?
Mr. FRAZIER. I am glad to yield to the Senator from North Carolina.

Mr. REYNOLDS. Of the 135,000,000 or 138,000,000 constituting the population of the United States today, that part and portion of the population made up of the mothers of America are more thoroughly interested in what the Senator has here to say than is anyone in this forum or in any other place of the United States. I say that for the reason that the debts incurred as the result of a war are not, in truth and in fact, as the Senator will agree, I am sure, liquidated by the dollars and cents of the currency of any country, but the debts incurred as the result of a war are liquidated only by the tears that stream down the cheeks of the mothers who have lost their sons; and no amount of compensation, no amount of money, can ever restore a dead son to an American mother.

I wish to say to the Senator that I am against war. I desire to go further and say that, in my opinion, the mothers of the United States of America who will be called upon to provide the fodder for the cannon ought to have something to say as to whether or not their sons shall go to war and be slaughtered.

Mr. FRAZIER. I thank the Senator for his contribution. Mr. REYNOLDS. I thank the Senator for yielding to me.

Mr. FRAZIER. I agree with the Senator from North Carolina that the mothers and the taxpayers, too, of this country should be called upon to express their opinion before the United States enters another world war.

Mr. President, I merely wished to call the attention of the United States Senate to the fact that 10 years ago yesterday the Senate ratified the treaty known as the Kellogg-Briand Peace Pact for the renunciation of war. I am sorry that, in my opinion, we have not lived up to it.

Mr. REYNOLDS. Mr. President, let me ask the Senator with whom are we going to war? Whom are we going to fight? Who is going to fight us? Who is threatening to invade our shores?

Mr. FRAZIER. Mr. President, I am frank to say that I do not know. I have never heard anyone explain it. Some of the best military authorities have said that there is no country that can successfully attack the United States from the distance which they lie away from us.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. FRAZIER. I yield.

Mr. LUNDEEN. I think I can explain that. We are to engage in another expedition to save the world. We are told to forget our own problems, our own troubles, and once more we are going to save the world. That is the illusion that is being planted in the minds of the American people. That is the propaganda we hear. We are going to save everybody except ourselves. We are going to solve all the problems of the earth except our own problems.

Mr. FRAZIER. It was said that we fought the World War in order "to make the world safe for democracy."

Mr. REYNOLDS. And for Christianity.

Mr. FRAZIER. Yes.

Mr. REYNOLDS. I wish to say to the Senator, with his kind permission at this juncture, that if the American mothers who of necessity must furnish the bearers of arms and provide the fodder for the cannon are permitted to say as to whether or not we shall go to war there will be no war.

I believe in an adequate national defense; and in employing the word "adequate" I mean that we should be provided with defenses sufficient to protect ourselves in case of invasion; I am willing to vote appropriations for an army and a navy and an air force for the purpose of protecting the people of America against invasion by foreign enemies, but further than that I am not willing to go now.

Who is going to attack the United States of America is what I want to know? Germany is not going to attack us. Why? Because Germany at present has a population which was increased to 80,000,000 as the result of the minorities which she took over in the Sudetan, numbering 3,500,000. Germany is doing what? She has not her eye at the present on the physical acquisition of more territory. She is engaged in making an economic penetration. Those who have recently visited what was once upon a time called "the lovely

blue Danube," that rises in southern Germany and flows through old Austria, Hungary, and Rumania to the Black Sea, know that Hitler and the Germans have hundreds upon hundreds of men and barges going down the blue Danube loaded with medicines, toys, machinery, and textiles, and coming back loaded with tallow, hides, oil, lumber, and wheat, which Germany desires. The war we are in today is going to prove to be the greatest war in which we have ever participated. It is a trade war.

What do we find over there? We find over there that the German people have made the most tremendous and most phenomenal economic trade advances with Austria, Czechoslovakia, Poland, Lithuania, Estonia, Yugoslavia, Rumania, Hungary, and Bulgaria. By the way, in passing I may mention that I had the honor and the very great pleasure during the course of my recent trip of meeting the Chief Executive of Bulgaria, His Majesty King Boris, at which time I talked with him at great length in regard to international affairs and with regard particularly to matters relating to the Balkan states.

In connection with Bulgaria, it will be recalled that a few weeks ago the French offered to provide credits for the Bulgarians for the purchase of French manufactured products; but, unfortunately for the Bulgarians, the French could not provide them with the sort of manufactured products they wanted, as a result of which the Bulgarians were forced to turn to Germany. Germany has her eyes focused toward the east. Germany, having paralleled the railroad leading across Czechoslovakia by a railroad which will pass between the frontiers of Hungary and southern Poland, will proceed to the Ukraine of Russia. She is interested in economic penetration throughout the world. She is endeavoring to make an economic penetration in South America, in Central America, and in Mexico, where there is a population equal to that of the United States of America. If Senators do not believe it is a trade war, I ask them to recall this prediction: Within the next 5 years we are going to find ourselves in such a war as the American people never before experienced, because it will be a trade war affecting the clothing of the backs of the laborers of America and affecting the feeding of the stomachs of the hungry.

What do we find in that direction? Mexico, our sister Republic to the south, just beyond the Rio Grande, has a population of 20,000,000. It is a country that we have befriended more than any other country in the world. We buy more silver from Mexico than from any other country in the world. We have bought oil from Mexico. We have sent more tourists there than any other country in the world has sent. We sent there last year 300,000 tourists, who spent millions of dollars; but has that had any effect upon the Mexican people? No. What is the condition that exists there? It is a condition of competition.

You trade with a man not because you like him but because you can get the best deal from him. We might just as well open our eyes and we might just as well realize the condition which confronts us. Let us try to stay out of war and let us try to meet that competition. Let us try to meet that which has been flung out before us by Hitler and Mussolini and the rulers of other states that are now becoming associated with

In the case of Mexico, which I have just mentioned, I recall reading in the columns of the press only a few weeks ago that Germany had succeeded in making a barter arrangement with Mexico by which Germany was to take \$17,000,000 worth of Mexican oil and was to pay for the \$17,000,000 worth of oil to the extent of \$10,000,000 in barter, and it had not been decided how the balance of \$7,000,000 would be liquidated.

Right here at our back door are our neighbors, the Mexicans, from whom we buy silver and to whose country we send hundreds of thousands of tourists every year who spend money there; but the Mexicans deal with Germany because they get the best trade there. A fact which really must of necessity command the attention of us all is that the very oil the Mexicans sell they took away from American investors. Talk about withdrawing diplomatic representation! If we are going to withdraw diplomatic representation from Germany, I say we had better withdraw diplomatic representation from Mexico. They have seized all our properties. They have seized all the farming land owned by American citizens and divided it up. I say we had better do that. If we do not like the way in which certain other countries are running their business and have withdrawn our representation from Germany, why do we not withdraw our representation from Spain? Why do we not withdraw our representation from Japan? Why do we not withdraw our representation from the Soviet Union?

We are in a trade war. We are "up against it," and we should not try to fool the American people. We should try to bring before them the facts and meet the issue. I believe the American people can meet the issue. We have never failed to do it.

It is true that by means of barter Mussolini and Hitler are "going places." By the barter method they are doing a big business with South America. We are very greatly interested in the Western Hemiphere, because to the south of us there are about one hundred and thirty-five to one hundred and forty million people. Our able colleague, the beloved Senator from Illinois [Mr. Lewis], has been suggesting and advising us for years past from the floor of the Senate to "look southward." We should turn our eyes southward. What do we find in Brazil? I note that one of the representatives of the Brazilian Government is soon to come to Washington to confer with our great and beloved President. What do we find? The British have the largest investment in Brazil. We are second. For a while the Germans were leading in trade in Brazil. Now the tide has turned, and we are leading. Recently we participated in the Lima Conference, in the capital of Peru; but most of the airplanes bought by the Peruvian Government come from Italy, and the Peruvian aviators are being trained by Italian army aviators. We must open our eyes, and we must meet this competition. In the Democratic platform we say that we should settle disputed matters by arbitration, by peace and not by war. I want to abide by the Democratic platform and settle peacefully, and not by war, all issues in which we might become involved; and again I ask. in conclusion, Who is going to attack the United States?

We know perfectly well that Japan is not going to attack us, because Japan has her hands full in looking after matters in Korea; in looking after the 120,000,000 persons in Manchuria, which she took in 1931; in looking after the millions who are found in China from Shanghai and Peiping southward to Hong Kong and Canton along the routes of travel, and in looking after the people of Formosa. The Japanese have their hands full, more so than ever now as a result of their interest in Indochina; and, by the way, in that connection, it looks as if the Siamese are going to join up with them.

Germany is not going to attack us. She is interested in trade over there. Who else might attack us? Mussolini is not going to attack the United States. Why? Because Mussolini is looking after his 42,000,000 people. As we know, Mussolini owns the Adriatic. He has made an Italian lake out of it; and Mussolini has his hands full in northern Africa. Mussolini is in a position to construct for the Italian people an immense empire in Africa, because prior to the conquest of Abyssinia, with its fourteen or fifteen million people, the Italians had under their control Italian Somaliland, just south of French and British Somaliland. Now, the Italians are desirous of getting Djibouti, the capital of French Somaliland, and their finger is in the pie of the operation of the only railroad in Abyssinia, leading from Djibouti to Addis Ababa, the capital of Ethiopia, a distance of 498 miles.

So I ask the Senate: Who is going to attack us? Every other country in the world has its hands full.

Mr. LUNDEEN. Mr. President, if the Senator will permit me to interrupt him, the Senator from North Carolina, in his able statement, asks who is going to attack us. Mr. REYNOLDS. That is my question.

Mr. LUNDEEN. I understand that the Russians are liable to attack us. They have no navy, but they are teaching

their men to swim with full equipment, and they are liable to land in New York almost any day. [Laughter.]

Mr. FRAZIER rose.

Mr. REYNOLDS. Will the Senator from North Dakota pardon me a moment?

Mr. FRAZIER. Certainly.

Mr. REYNOLDS. Russia is a country three times the size of the United States in area. Russia has a population of 178,000,000. Those 178,000,000 people speak more than 100 different languages and dialects. Russia is rotten within. In Russia millions of people have been murdered. In Russia people are being murdered every day. If Russia ever gets into a war, she will be defeated within 3 or 4 months. Why? Because there will be revolt, there will be revolution within the ranks of her own army and on the decks of the vessels of her own navy.

For instance, Russia has a score to settle with Japan. Russia was defeated by Japan, as will be recalled, and Russia has always wanted to settle that score. Russia had an opportunity to do so only a few months ago when the clash occurred between the Russians and the Japanese in northern Manchukuo, and in one wing of inner and outer Mongolia; but Russia did not attack, and many persons were surprised. Why? Because of all the opportunities in the world Russia ever had to attack, that was the best opportunity, for this reason: Japan, a nation comprised of 90,000,000 inhabitants, was fighting China, possessed by a population of 500,000,000. Japan had her hands full. Russia has the largest standing army upon the face of the earth and the largest reserve upon the face of the earth. Russia has a standing army of 1,300,000. Russia has a reserve corps of men and women of 18,000,000. But despite the fact that little Japan with her 90,000,000 people was fighting a nation possessing a population of 500,000,000-half a billion-the Russians, with their standing army of 1,300,000 and with a reserve corps of 18,000,000, dared not fight Japan. Why? Because Russia is rotten from within, and if ever she becomes involved in a war there will be revolution within 3 months in Russia. Stalin knows it; the Russians know it; and we need never have any fear of the Russians.

As a matter of fact, of course, as the Senator knows, Russia is moving eastward toward the Arctic Ocean, toward the Lena Delta, toward Siberia, toward Wrangell Island, in our Territory. They are just a half a mile from us. But I want to know who is going to fight Uncle Sam.

Mr. MINTON. Mr. President, I hope the Senator will disabuse my mind of the fear that was engendered the other day when he told us from the floor of the Senate that the Soviet forces were just a half a mile from Uncle Sam.

Mr. REYNOLDS. Absolutely.

Mr. MINTON. Has the Senator any fear?

Mr. REYNOLDS. Oh, no; not at all. I will repeat the statement. Senators will recall, because they are more familiar with these international and foreign affairs than am I, that Soviet soil is only half a mile from the possessed soil of the United States of America.

Mr. MINTON. What of it?

Mr. REYNOLDS. In 1867 we bought from the Russian Government Alaska, which included one of the Diomedes, and included the Pribilof Islands and the Aleutian Islands.

Mr. MINTON. I ask the Senator again, What of it?

Mr. REYNOLDS. What of it?

Mr. MINTON. Yes.

Mr. REYNOLDS. I think it was the finest purchase we ever made, outside of the Louisiana Purchase, I think that was one of the finest purchases we ever made, because Alaska proper comprises 587,000 square miles of land, and of necessity it will provide sustenance and maintenance for more than 3,000,000 people.

In regard to Russia, as Senators recall, in 1933, under the direction of Stalin, the gold rush toward Siberia was started because Stalin wanted to move his population toward Siberia, as that is the richest part of it, and he wants to get as far

away from the central powers of Europe as he can possibly get.

Mr. LUNDEEN. Mr. President, I am still disturbed about the answer the Senator from Indiana was seeking. He asked "What of it?" referring, as I understand, to the proximity of these territories.

Mr. REYNOLDS. As a matter of fact, I was just speaking of the Diomedes. When we bought Alaska from Russia in 1867 we acquired Little Diomede and the Russians got Big Diomede. They are just half a mile apart. But the closest portion of the mainland of Siberia to Alaska is known as Uellan, Russia, which is a distance of 35 or 40 miles away.

Mr. FRAZIER. No one but Eskimos live there, so I do not think there is any danger. I made a trip to Alaskan waters a few years ago, and we could not get within sight of those islands, because it was so foggy that we could not see, and we had to turn around and go back.

Mr. REYNOLDS. That is a pretty good thing. Nature has provided protection for us.

Mr. FRAZIER. I am very glad to have the Senator's explanation of his opinion that no other country is able to attack the United States. But he made one statement with which I cannot agree, although I usually agree very fully with the eminent Senator from North Carolina.

Mr. REYNOLDS. I thank the Senator.

Mr. FRAZIER. The Senator has traveled very widely, and knows much about foreign countries, I think probably more than any other Member of the Senate, because he has traveled so extensively. He told us that he is against war, but thinks we should arm for adequate defense. That is all the military man says, that we must arm for adequate defense. That is what the President of the United States says, that is what the War Department says, that is what the Navy Department says, that we must arm for adequate defense.

Mr. President, there is no such thing as adequate defense, and the Senator himself admitted it in his argument about Russia. Russia is armed for "adequate defense" right now. They have the largest standing army in the world, according to the Senator from North Carolina; they have one of the largest air forces in the world, too, and the best trained men, and all that kind of thing, yet the Senator says that if war should come they would not last a month merely because they are armed for adequate defense. Would not the Senator think it better if they were not armed at all, but stood for world peace and disarmament?

There is a nation which perhaps the Senator has never visited, a little nation, which celebrated a few days ago its twentieth anniversary of disarmament and absolute peace. I refer to Iceland. For 20 years they have been totally disarmed, they have not had a soldier or standing army of any kind in that little nation, and they have gotten along very well. They were troubled with war and internal dissension and all that kind of thing for generations, but they finally decided to disarm, and they have been getting along very nicely, and the little country of Iceland has furnished some of the best minds of the world.

Mr. REYNOLDS. I may say to the Senator that I want to be provided the opportunity of placing my interpretation upon the word "adequate." I think it is well that we adequately prepare, and by that I mean that we be prepared to ward off an attack by any enemy. I am not willing to provide a navy and an army and an air force for the purpose of attacking any other nation on earth on their own soil.

As to Iceland, she is quite an inspiration to the other peoples of the world. As a matter of fact, there are other nations which believe in peace, for instance, Andorra, the little Republic located on the southern border of France and the northern border of Spain, which has remained quite neutral. There are other small nations throughout the world which have done as Andorra did, and I think their attitude has been an inspiration. The big nations of the earth should be ashamed of themselves for not being able to live in peace and harmony when the little nations can. If we had followed the example

of some of the smaller countries, the probability is that we would have been happier.

Mr. FRAZIER. The nations which were neutral during the World War are the nations which are best off today, their people are the best off, and there is less unemployment in them than in the great nations which took part in the World War.

The Senator from North Carolina started to refer to the Democratic platform plank in regard to our keeping out of war. That is a very laudable thing, of course, but I think it would be better if we should live up to the Kellogg-Briand Peace Pact, which the Senate ratified 10 years ago yesterday. That put the United States on record, and every Member of the Senate who was present except one voted for the ratification of that Pact. One Member voted against it, because he had offered a resolution to discredit some of the explanation which had been given concerning this treaty which he did not like. He wanted the treaty to stand on its own bottom and to be interpreted according to the words of the treaty, and not interpreted according to explanations that were made by Members of the Senate or anyone else. When his resolution was defeated, he was the only one who voted against ratification. But 85 Members of the Senate voted for ratification, and the other Members of the Senate were on record as stating they would have voted for it if they had been present. So the vote was practically unanimous. That was a treaty renouncing war, and I believe we should live up to it.

I appreciate very much the interest which has been taken by others here in regard to this matter, and I hope we can in some way prevent the huge appropriations which we are likely to be called upon to make for war preparations at the present session of the Congress.

#### EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

## EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. Andrews in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations (and withdrawing a nomination), which were referred to the appropriate committees.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

## EXECUTIVE REPORT OF A COMMITTEE

Mr. BURKE, from the Committee on the Judiciary, reported favorably the nomination of George E. Proudfit, of Nebraska, to be United States marshal for the district of Nebraska.

The PRESIDING OFFICER. The report will be received and placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

## POST OFFICE DEPARTMENT

The legislative clerk read the nomination of Ambrose O'Connell, of New York, to be Second Assistant Postmaster General.

Mr. McKELLAR. Mr. President, Mr. O'Connell was appointed Second Assistant Postmaster General some time ago, and has been acting for a number of months. He has made an excellent record. I think he is one of the most courteous, painstaking, and efficient officials of the Post Office Department, and I am sure his nomination will be unanimously confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

### DEPARTMENT OF AGRICULTURE

The legislative clerk read the nomination of Francis W. Reichelderfer, of Indiana, to be Chief of the Weather Bureau. The PRESIDING OFFICER. Without objection, the

nomination is confirmed.

#### DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Spruille Braden, of New York, to be Ambassador Extraordinary and Plenipotentiary to Colombia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frank P. Corrigan, of Ohio, to be Ambassador Extraordinary and Plenipotentiary to Venezuela.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John C. Wiley, of Indiana, to be Envoy Extraordinary and Minister Plenipotentiary to Latvía and Estonia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

#### PROMOTIONS IN THE FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations for promotions in the Foreign Service.

Mr. PITTMAN. Mr. President, I ask unanimous consent that all the nominations in the nature of promotions in the Foreign Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

That concludes the nominations on the Executive Calendar.

#### DEATH OF REPRESENTATIVE CRAVENS, OF ARKANSAS

Mr. BARKLEY. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed legislative session.

The PRESIDING OFFICER (Mr. Andrews in the chair) laid before the Senate a resolution from the House of Representatives (H. Res. 52), which was read, as follows:

## IN THE HOUSE OF REPRESENTATIVES,

Resolved, That the House has heard with profound sorrow of the death of Hon. Ben Cravens, a Representative from the State of Arkansas.

Resolved, That a committee of four Members of the House with such Members of the Senate as may be joined be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased. Resolved, That as a further mark of respect the House do now adjourn.

Mr. BARKLEY. On behalf of the senior Senator from Arkansas [Mrs. Caraway], I offer a resolution, and I ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read. The resolution (S. Res. 60) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. Ben Cravens, late a Representative from the State of Arkansas.

sentative from the State of Arkansas.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The PRESIDING OFFICER. In accordance with the second resolving clause of the resolution just agreed to, the Chair appoints the Senators from Arkansas [Mrs. Caraway and Mr. Miller] to represent the Senate at the funeral services of the late Representative Cravens, of Arkansas.

Mr. BARKLEY. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 3 o'clock and 36 minutes p. m.) the Senate adjourned until tomorrow, Tuesday, January 17, 1939, at 12 o'clock meridian.

## NOMINATIONS

Executive nominations received by the Senate January 16, 1939

#### NATIONAL MEDIATION BOARD

George A. Cook, of Illinois, to be a member of the National Mediation Board for the term expiring February 1, 1942. (Reappointment.)

## COAST GUARD OF THE UNITED STATES

#### TO BE CHIEF BOATSWAINS (L)

Boatswain (L) Roy V. Dudley from September 14, 1938.

Boatswain (L) Oscar A. Johnson from September 14, 1938.

Boatswain (L) Joseph Mazzotta from September 14, 1938.

Boatswain (L) Albert C. Gross from December 1, 1938.

Boatswain (L) Palmer S. Midgett from December 1, 1938.

#### TO BE CHIEF MACHINISTS

Machinist James R. Orndorff, Jr., from September 14, 1938. Machinist Thomas R. Nan Carrow from December 14, 1938.

#### POSTMASTERS

#### ALABAMA

Heber L. Heflin to be postmaster at Danville, Ala. Office became Presidential July 1, 1938.

Agnes H. Lambert to be postmaster at Darlington, Ala. Office became Presidential July 1, 1938.

Abbie M. Chambers to be postmaster at Faunsdale, Ala. Office became Presidential July 1, 1938.

John W. Johnson to be postmaster at Langdale, Ala., in place of J. W. Johnson. Incumbent's commission expired March 29, 1938.

Harris L. Gilmer to be postmaster at Marion Junction, Ala. Office became Presidential July 1, 1938.

Ollie G. Harris to be postmaster at Morris, Ala. Office became Presidential July 1, 1938.

#### ARIZONA

Robert E. Hamilton to be postmaster at Eloy, Ariz. Office became Presidential July 1, 1938.

Aurelio B. Sanchez to be postmaster at Sonora, Ariz. Office became Presidential July 1, 1938.

#### ARKANSAS

Deedy Newsome to be postmaster at Arkinda, Ark. Office became Presidential July 1, 1938.

Ocie E. Mathis to be postmaster at Hackett, Ark. Office became Presidential July 1, 1938.

## CALIFORNIA

Mary E. Byrne to be postmaster at Hinkley, Calif. Office became Presidential July 1, 1938.

Lucy A. Angell to be postmaster at Rosamond, Calif. Office became Presidential July 1, 1938.

### COLORADO

John W. Baldwin to be postmaster at Hudson, Colo. Office became Presidential July 1, 1938.

Gertrude M. Carroll to be postmaster at Woodland Park, Colo. Office became Presidential July 1, 1938.

## CONNECTICUT

Ethyl O. Engisch to be postmaster at Cornwall Bridge, Conn. Office became Presidential July 1, 1938.

Edward A. Honan to be postmaster at Gaylordsville, Conn. Office became Presidential July 1, 1938.

#### FLORIDA

Thelma M. Shortridge to be postmaster at Citra, Fla. Office became Presidential July 1, 1938.

Charles A. Miller to be postmaster at Crystal River, Fla., in place of C. A. Miller. Incumbent's commission expired February 10, 1938.

Nina A. Kovarik to be postmaster at San Antonio, Fla. Office became Presidential July 1, 1938.

## GEORGIA

Ola H. Bradbury to be postmaster at Bogart, Ga. Office became Presidential July 1, 1938.

Lucie D. Woodall to be postmaster at Brookhaven, Ga. Office became Presidential July 1, 1938.

John E. Jones to be postmaster at Lula, Ga. Office became Presidential July 1, 1938.

Miriam Dickerson to be postmaster at Rabun Gap, Ga. Office became Presidential July 1, 1938.

Hugh W. Williams to be postmaster at Red Oak, Ga. Office became Presidential July 1, 1938.

Charlie C. Parsons to be postmaster at Watkinsville, Ga. Office became Presidential July 1, 1938.

#### ILLINOIS

Fred G. Falkenheim to be postmaster at Baldwin, Ill. Office became Presidential July 1, 1938.

Hilda Luehr to be postmaster at Campbell Hill, Ill. Office became Presidential July 1, 1938.

Rosana Levitt to be postmaster at Villa Ridge, Ill. Office became Presidential July 1, 1938.

Charles Clifford Tobey to be postmaster at Worth, Ill. Office became Presidential July 1, 1938.

## INDIANA

Raymond C. Austgen to be postmaster at Roby, Ind. Office became Presidential July 1, 1938.

#### IOWA

Mabel E. Forsythe to be postmaster at Plover, Iowa. Office became Presidential July 1, 1938.

#### KENTUCKY

Sister Basil Pike to be postmaster at Maple Mount, Ky. Office became Presidential July 1, 1938.

#### LOUISIANA

Louis A. Carville to be postmaster at Carville, La. Office became Presidential July 1, 1938.

Viola H. Reed to be postmaster at Epps, La. Office became Presidential July 1, 1938.

Georgina C. Kinler to be postmaster at Inling, La. Office became Presidential July 1, 1938.

#### MARYLAND

James F. Cohee to be postmaster at Middle River, Md. Office became Presidential July 1, 1938.

Henry J. Norris to be postmaster at Whiteford, Md. Office became Presidential July 1, 1938.

#### MASSACHUSETTS

Myrtie L. McLoon to be postmaster at North Truro, Mass. Office became Presidential July 1, 1938.

#### MICHIGAN

Agnes E. Haischer to be postmaster at Atlantic Mine, Mich. Office became Presidential July 1, 1938.

Myrtle C. Duby to be postmaster at Au Gres, Mich. Office became Presidential July 1, 1938.

Floyd Slafe to be postmaster at Dryden, Mich. Office became Presidential July 1, 1938.

Florence E. Baldwin to be postmaster at Kingsley, Mich. Office became Presidential July 1, 1938.

#### MINNESOTA

Adolph Johnson to be postmaster at Clarks Grove, Minn. Office became Presidential July 1, 1938.

Adolph Oseid to be postmaster at Roosevelt, Minn. Office became Presidential July 1, 1938.

#### MISSISSIPPI

Daniel F. Smith to be postmaster at Carriere, Miss. Office became Presidential July 1, 1938.

Maude B. Morris to be postmaster at Mayhew, Miss. Office became Presidential July 1, 1938.

#### MISSOURI

G. Chadbourne Long to be postmaster at Cadet, Mo. Office became Presidential July 1, 1938.

Charles H. Johnson to be postmaster at Grain Valley, Mo. Office became Presidential July 1, 1938.

Mary E. Staples to be postmaster at Houstonia, Mo. Office became Presidential July 1, 1938.

Dorsey M. Bishop to be postmaster at Ravenwood, Mo. Office became Presidential July 1, 1938.

#### NEW MEXICO

Robert F. Fisher to be postmaster at Cuba, N. Mex. Office became Presidential July 1, 1938.

James C. Wyman to be postmaster at Loving, N. Mex. Office became Presidential July 1, 1938.

#### NEW YORK

Charles W. Rentschler to be postmaster at Burt, N. Y. Office became Presidential July 1, 1938.

Grace L. Harden to be postmaster at McConnellsville, N. Y. Office became Presidential July 1, 1938.

Benjamin F. Palmer to be postmaster at Scio, N. Y. Office became Presidential July 1, 1938.

Marie M. Rice to be postmaster at Sylvan Beach, N. Y. Office became Presidential July 1, 1938.

#### NORTH CAROLINA

Jethro M. Rollins to be postmaster at Bostic, N. C. Office became Presidential July 1, 1938.

Eli H. Ange to be postmaster at Jamesville, N. C. Office became Presidential July 1, 1938.

Virginia D. Martin to be postmaster at Parkton, N. C. Office became Presidential July 1, 1938.

Derr L. Hines to be postmaster at Stony Point, N. C. Office became Presidential July 1, 1938.

Maude F. Cheatham to be postmaster at Youngsville, N. C. Office became Presidential July 1, 1938.

Starling N. Caron to be postmaster at Hamersville, Ohio. Office became Presidential July 1, 1938.

Charles E. Morris to be postmaster at Philo, Ohio. Office became Presidential July 1, 1938.

#### OKLAHOMA

Osie Ellison to be postmaster at Warner, Okla. Office became Presidential July 1, 1938.

#### PENNSYLVANIA

Ann M. Noblick to be postmaster at Coverdale, Pa. Office became Presidential July 1, 1938.

Michael J. Musilek to be postmaster at Dunlo, Pa. Office became Presidential July 1, 1938.

S. Richard Hazelton to be postmaster at Greentown, Pa. Office became Presidential July 1, 1938.

Alice B. Carrick to be postmaster at Loupurex, Pa. Office became Presidential July 1, 1938.

Mildred E. Stumpff to be postmaster at Middle Creek, Pa. Office became Presidential July 1, 1938.

William McWilliams to be postmaster at Murrysville, Pa. Office became Presidential July 1, 1938.

Eli B. Weaver to be postmaster at Ruffs Dale, Pa. Office became Presidential July 1, 1938.

## PUERTO RICO

Ricardo Pagan to be postmaster at Barranquitas, P. R. Office became Presidential July 1, 1938.

Felix P. Hernandez to be postmaster at Quebradillas, P. R. Office became Presidential July 1, 1938.

#### SOUTH CAROLINA

Andrew McC. Blair to be postmaster at Rion, S. C. Office became Presidential July 1, 1938.

William E. Jones to be postmaster at Sunbright, Tenn. Office became Presidential July 1, 1938.

Annie Koon to be postmaster at Buchanan Dam, Tex. Office became Presidential July 1, 1938.

Ova Richardson to be postmaster at Caddo, Tex. Office became Presidential July 1, 1938.

Frank E. Schrack to be postmaster at Catarina, Tex. Office became Presidential July 1, 1938.

Ruby M. Smith to be postmaster at Deweyville, Tex. Office became Presidential July 1, 1938.

Joe P. Luce to be postmaster at Graford, Tex. Office became Presidential July 1, 1938.

Mary E. Cummins to be postmaster at Grandfalls, Tex. Office became Presidential July 1, 1938.

Thelma L. Thames to be postmaster at Monroe City, Tex. Office became Presidential July 1, 1938.

Edward H. Reinhard to be postmaster at Poth, Tex. Office became Presidential July 1, 1938.

Martha Iduma McDonald to be postmaster at Santo, Tex. Office became Presidential July 1, 1938.

Mary E. Featherhoff to be postmaster at Velasco, Tex. Office became Presidential July 1, 1938.

Pearl B. Monke to be postmaster at Weinert, Tex. Office became Presidential July 1, 1938.

#### VERMONT

Bert G. Peck to be postmaster at East Middlebury, Vt. Office became Presidental July 1, 1938.

Jessie M. Cross to be postmaster at Concord Depot, Va. Office became Presidential July 1, 1938.

Albert W. Horton to be postmaster at Raven, Va. Office became Presidental July 1, 1938.

George Washington to be postmaster at Woodford, Va. Office became Presidential July 1, 1938.

#### WASHINGTON

Forrest W. Cahill to be postmaster at Kittitas, Wash. Office became Presidential July 1, 1938.

Kate T. S. Rush to be postmaster at Osborne, Wash. Office became Presidential July 1, 1938.

#### WEST VIRGINIA

Charles A. Skaggs to be postmaster at Cedar Grove, W. Va. Office became Presidential July 1, 1938.

## CONFIRMATIONS

Executive nominations confirmed by the Senate January 16, 1939

## DIPLOMATIC AND FOREIGN SERVICE

Spruille Braden to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Colombia.

Frank P. Corrigan to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Venezuela.

John C. Wiley to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Latvia and Estonia.

#### PROMOTIONS IN THE FOREIGN SERVICE

## To be a consul general

#### Orsen N. Nielsen.

To be Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service

William Belton Robert Grinnell Parker T. Hart William H. Cordell Robert T. Cowan Franklin Hawley Carl F. Norden Philip M. Davenport Vernon L. Fluharty David T. Ray A. David Fitzlan David M. Smythe John Goodyear Philip D. Sprouse

To be Foreign Service officers of class 6

LaVerne Baldwin Raymond A. Hare Bertel E. Kuniholm Robert L. Buell John M. Cabot Rufus H. Lane, Jr. John H. Lord Augustus S. Chase Oliver Edmund Clubb William T. Turner

To be Foreign Service officers of class 7

Stuart Allen Robert Janz John M. Allison Robert P. Joyce Gordon L. Burke Hervé J. L'Heureux Edmund J. Dorsz Thomas J. Maleady Dorsey Gassaway Fisher Ralph Miller Frederic C. Fornes, Jr. Sheldon T. Mills Harold B. Minor Bernard Gufler Monroe B. Hall Gerald A. Mokma Thomas A. Hickok Walter N. Walmsley, Jr. To be Foreign Service officers of class 8

Sherburne Dillingham
C. Burke Elbrick
William E. Flournoy, Jr.
Harrison Lewis
F. Ridgway Lineaweaver
Joseph E. Newton
Maurice Pasquet

Guy W. Ray Arthur L. Richards Laurence W. Taylor Clare H. Timberlake Jay Walker Lee Worley

SECOND ASSISTANT POSTMASTER GENERAL

Ambrose O'Connell to be Second Assistant Postmaster General, Post Office Department.

CHIEF OF THE WEATHER BUREAU

Francis Wilton Reichelderfer to be Chief of the Weather Bureau of the Department of Agriculture.

### WITHDRAWAL

Executive nomination withdrawn from the Senate January 16, 1939

APPOINTMENT IN THE ARMY

Wallace Embry Nau to be second lieutenant in the Air Corps, Regular Army.

# HOUSE OF REPRESENTATIVES

Monday, January 16, 1939

The House met a 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Gracious is the Lord and righteous, yea, our God is merciful. Thou whose presence pervades all space with rays of the divine light, reverently we wait for Thy blessing. Thou who holdest the stars in their courses and fillest the earth with Thy glory, bestow upon us as a people the strength of Thy wisdom and the justice of Thy judgment. Be with us, our Father, and clothe us with the greatest victory of life, which is the conquest of worry and an escape from the corroding stains of envy and hate. Still sound in our ears "be strong and of good courage." Inspire us with the power to expand, seek knowledge, and hold fast to those forces that maintain our Nation. Let Thy kingdom come in all hearts. Help us to think pure thoughts, speak kindly, and do noble deeds. Through Christ our Saviour. Amen.

The Journal of the proceedings of Friday, January 13, 1939, was read and approved.

## MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Hess, one of his secretaries.

## ABJOURNMENT OVER

Mr. COOPER. Mr. Speaker, at the request of the majority leader, who is unavoidably detained for the moment, I ask unanimous consent that when the House adjourns today it adjourn to meet on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

## EXTENSION OF REMARKS

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that I may insert in the Appendix of the RECORD an address that I made over the radio.

The SPEAKER. Without objection, it is so ordered. There was no objection.

## PERMISSION TO ADDRESS THE HOUSE

Mr. CUMMINGS. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the reading of the Journal and disposition of such other business on the Speaker's table, I may be allowed to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

#### EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks by including a letter from Hon. Frank Murphy, then Governor of Michigan, written in October 1937, and the reply thereto.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent that at the conclusion of the remarks of the gentleman from Wisconsin [Mr. Gehrmann] this morning I may have permission to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the

gentleman from Vermont?

Mr. RANKIN. Mr. Speaker, reserving the right to object,

I did not understand the gentleman's request.

The SPEAKER. The gentleman from Vermont asks unanimous consent that at the conclusion of the address of the gentleman from Wisconsin today he may be permitted to address the House for 20 minutes.

Mr. RANKIN. May I inquire on what subject?

Mr. PLUMLEY On the subject of flood control

Mr. PLUMLEY. On the subject of flood control. Mr. RANKIN. I have no objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that at the conclusion of the remarks of the gentleman from Vermont [Mr. Plumley] I may be permitted to address the House for 10 minutes on the subject of flood control in New England.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

#### THE LATE HONORABLE W. T. FITZGERALD

Mr. JONES of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JONES of Ohio. Mr. Speaker, on January 13 a distinguished former Member of the House of Representatives, the Honorable W. T. Fitzgerald, passed away at his home in Greenville, Ohio.

I ask leave to revise and extend my remarks to pay appropriate respect.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JONES of Ohio. Dr. Fitzgerald was a Member of the Sixty-ninth and Seventieth Congresses from the Fourth Ohio District. He was born in Greenville, Darke County, Ohio, on October 13, 1858. He was educated in the Greenville schools, National Normal University, and Wooster University Medical School.

He practiced medicine in Greenville until elected to Congress, and resumed that practice in the same city after leaving Congress. He was one of the most conscientious men that ever sat in the Halls of Congress.

He had a special interest in the soldiers' welfare and became chairman of the Pension Committee.

For a number of years Dr. Fitzgerald had been in failing health, and death relieved his suffering Friday morning, January 13, 1939.

## STATEMENT WITH RESPECT TO VOTE

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. BYRNE of New York. Mr. Speaker, on Friday morning I made reservations at Albany, N. Y., for a plane which would leave Albany at 1:40 p. m. and arrive in Washington at 4:30 p. m., so that I might vote on the relief bill. The plane arrived at Newark and was there grounded because of the storm, making it impossible for me to get here except by train out of Newark at 3:45 p. m. When I arrived the House had adjourned. Had I been here, I would have voted in favor of the relief bill.

#### PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. Under the special order of the House heretofore made, the gentleman from Wisconsin [Mr. Gehrmann] is recognized for 10 minutes.

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes, making my time in all 15 minutes

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GEHRMANN. Mr. Speaker, my purpose in desiring to address the House at this time is to say a few words in behalf of the dairy farmer. During the past month newspapers have carried accounts of a plan whereby a large quantity of surplus American wheat is to be distributed to the starving people of Spain and China. I certainly have no objection to this. I think it is a worthy cause, but I know and you know that we have a huge surplus of dairy products. Certainly children need some food other than wheat. I see no reason why they should not send some of this surplus milk and other dairy products along with the wheat, and it is along these lines that I shall talk to you today. Let the Red Cross distribute surplus dairy products.

According to these accounts, 20,000 barrels of bran flour were shipped in November and 7,000 barrels of wheat flour in December. This wheat, according to news accounts, was sold by the Federal Surplus Commodities Corporation to the Red Cross for a purely nominal sum. More recently, shipments have been made of 170,000 bushels of hard wheat to Spain and a large quantity of cracked wheat to China, this wheat having been sold for one-half the market price.

I am not criticizing these shipments. According to an article in the January 8 issue of the Washington Star, there are 450,000,000 bushels of wheat produced in 1938 that are not needed in the wheat markets of the world. Since this is the case, surely no one can advance any argument against distributing that wheat free to the people of those countries harassed by wars, where the people have been left helpless and unable to feed themselves. Certainly no better use could be made of this wheat than to help the people of Spain and China save their lives in the face of impending starvation.

If I have any criticism to offer, it is that we have been so slow in taking cognizance of the desperate plight that confronts these people. It does not seem to me that in years gone by the people of this country would have been so indifferent to suffering in other parts of the world. As far back as I can remember, the American people have always responded generously when some other part of the world has been struck by disaster. Even after the World War, when a psychology of hysteria and hatred had been built up against the people of some foreign countries, the spirit of generosity still lived.

It will be remembered that an American citizen who had been highly successful in a business way built for himself in the United States and throughout the world a reputation as a great humanitarian because of the splendid manner in which he handled our relief activities abroad. During the period beginning shortly after the war, Herbert Hoover served on many committees and worked for the relief of thousands of people in Belgium, Poland, Germany, Russia, and other countries in central Europe. Large sums of money were spent at that time by private organizations like the Society of Friends and the Red Cross, but what was perhaps more important, the Congress of the United States set up

the American Relief Administration, which, while not a Government agency, was instrumental in distributing extensive relief, made possible by the generosity of the United States Congress.

There can be no question but that millions of people are alive in Europe today who would inevitably have died had it not been for the generosity of our own Government and our citizens.

#### WHY NOT SEND DAIRY PRODUCTS AS WELL AS WHEAT?

If the Surplus Commodities Corporation is to sell wheat to the Red Cross for a purely nominal sum, or to other private relief agencies at half price, why should not the Corporation transfer dairy products to the Red Cross and other organizations on the same basis? Not long ago, a relief ship left here carrying 170,000 bushels of hard wheat. Experts in nutrition estimate that to feed children properly, each 6 pounds of wheat ought to have been accompanied by 1 pound of milk.

If we are to try to take care of small children, any mother knows that wheat is not enough. What is needed to take care of the children in war-torn countries is not so much wheat as butter, milk, and other dairy products. If we are to do the job, we ought to do it so it will be effective. Every man or woman who has raised a family knows that small children cannot get along on just wheat alone, and that is pretty much all that has gone in the relief shipments.

During our relief activities following the World War, we sent out large shipments of lard, dry milk, and food products other than wheat, recognizing that people suffering from malnutrition stood in greater need of a balanced diet than people whose health was still sound.

But in arguing for the shipment of dairy products, I am not only concerned about the children in these war-mad countries, but I am very much concerned about our own American children, as well as the plight of the dairy farmers of this country.

## OUR OWN CHILDREN MUST COME FIRST

When I advocate that dairy products should be turned over to the Red Cross to be distributed to starving and undernourished children of warring countries, I at all times realize that we are doing a mighty poor job of taking care of our own needy.

Several eminent health and nutrition authorities have released articles showing that at the present time not much over one-third the amount of fluid milk is consumed by children that experts deem necessary to develop a healthy body. In other words, the best insurance that our children of today will develop into strong, healthy men and women of tomorrow is to make it possible for all underprivileged to receive all the milk necessary to build bone and muscle to develop a race as robust and healthy as any in the world.

Many families with six to eight children now are forced to get along with 1 quart of milk a day when they should have at least five or six. If the needed milk were made available to these children, we would not have these high surpluses, and I would not be pleading to send dairy products out of this country, because our present cow population could not produce enough milk for home consumption. Local relief agencies should by all means see to it that children of needy families receive all the milk they need, so that they will not grow up as weaklings and subject to every disease that comes along, which, in the long run, may cost more for doctor and hospital bills than the milk they should have received. But, since we are piling up dairy surpluses and sending wheat to those in need in foreign countries, why not send milk, butter, and cheese along with the wheat, so as to assist in balancing the diet?

At the present time some 85,000,000 pounds of butter is held by the Dairy Products Marketing Association, financed by the Commodity Credit Corporation. Practically all of this butter has been bought up for about 26 cents a pound. It is simply a threat hanging over the butter market of the United States. As long as this 85,000,000 pounds hangs over

the market ready to be sold when the price moves up a few cents, it tends to keep the price down. A real service would be rendered to the dairy farmers of this country if this butter were simply turned over to the Red Cross to be used to aid the children in America as well as on both sides in Spain and China.

I do not believe I am asking anything improper when I call attention to the plight of the dairy farmers in Wisconsin and other States in the North. When farmers get 26 cents a pound for butter it means that they are living on a starvation scale. Farmers of Wisconsin today in my district are getting prices just about as low as they got under Hoover in 1932. Prices at that time got down below \$1 a hundred pounds for milk. Prices now are down as low as that. When farmers get less than a dollar a hundred pounds for milk they are getting starvation pay. Milk at that price is the same as 25- or 30-cent wheat to the wheat farmer, 12- or 15-cent corn to corn farmers, and nickel cotton for the cotton farmer.

I am going to try to talk frankly now to the people in control of this Congress. In the last election there were very few supporters of the present administration elected from the dairy sections of the United States. I think that the reason is only too plain. While we have spent about \$3,000,000,000,000 or more to aid cotton, corn, wheat, sugar, and tobacco farmers, very little has been done to aid the dairy farmers in the United States. From the beginning of the New Deal until July 1, 1938, about \$25,000,000 was spent to buy butter, about \$4,000,000 to buy cheese, and \$10,000,000 to buy different types of milk.

When we consider that the dairy industry is the most important of the agricultural groups, and that only 1½ percent of the total expenditure of \$3,000,000,000 or more has gone to aid the dairy farmer, you may get some idea why the present administration met such a wholesale reversal in the dairy land of the country. When the dairy farmer was getting 75 cents a hundred for milk in 1932, he was just as hard up as were the cotton, corn, and wheat farmers. The only difference is that after spending \$3,000,000,000 the dairy farmer is still getting the price he received under Hoover, where the farmers who have gotten help are, of course, better off to the extent of that help.

I believe that the American farmer needs and must have help. I am in favor of helping him in the future as I have been in the past, but I think you will agree with me that it is highly unfair to help certain types of farmers and ignore the dairy farmer completely.

I do not believe that we are producing more dairy products than the people of this country can use. As a matter of fact, we have not produced enough butter, cheese, or milk to give all the American people as much of these things as they should have. That, however, is another question. I hope that before this Congress gets through, it will work out a plan whereby dairy production can be increased from year to year until all the people of this country are properly fed and the farmer given cost of production for doing it. I am convinced that cost of production for everything consumed at home is the only plan that will ever aid the farmers in the long run.

In the meantime, however, we should do the job of feeding the undernourished children of America all the milk and other dairy products necessary and send the surplus along with the wheat that the Red Cross distributes to children in need across the sea in a manner of which we need not be ashamed. Let us give them food, the kind of food little children need to keep them alive—and not only alive but well and growing. The results of the famine in Europe after the World War are still evident in the men and women who were children at that time. Malnutrition attacks and weakens the vital organs even when it does not destroy them, and the effects of starvation are permanent and serious.

During the World War we ran up our national indebtedness to \$26,000,000,000. This does not count the money that we raised by taxation and paid out immediately. Altogether, we probably spent \$30,000,000,000 or \$40,000,000,000, and I doubt if there is much of that money that did much good other than the very small amount that was used, not to destroy people, but to save the lives of the helpless. I think that whatever good will there is in the world today for the United States goes back largely to those splendid efforts we made in years gone by to care for little children, the helpless victims of war and famine.

Twenty years ago this month the Congress of the United States made \$100,000,000 available for the purpose of making relief loans to countries other than those against whom we had been fighting during the World War. A full account of these transactions is carried in a report of the American Relief Administration, published in 1931 and called American Food in the World War and Reconstruction Period. Many of those loans have been repaid. As a matter of fact, our loans for humane purposes have been much better than those made for purposes of war.

I urge that these dairy products be shipped where needed in continuance of our tradition of aid to distressed humanity, whether its plight be the result of hurricane, or flood, or man-made war and famine, in the knowledge that by so doing we are not only aiding the helpless children of wartorn nations but that we are also aiding a group of our own citizens who are hard-pressed and who in the past 6 years have been discriminated against by legislation passed in this body.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—SOCIAL SECURITY (H. DOC. NO. 110)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, was referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

Four years ago I sent to the newly convened Congress a message transmitting a report of the Committee on Economic Security. In that message I urged that Congress consider the enactment into law of the program of protection for our people outlined in that report. The Congress acted upon that recommendation and today we have the Social Security Act in effect throughout the length and breadth of our country.

This act has amply proved its essential soundness.

More than two and one-half million needy old people, needy blind persons, and dependent children are now receiving systematic and humane assistance to the extent of a half billion dollars a year.

Three and a half million unemployed persons have received out-of-work benefits amounting to \$400,000,000 during the last year.

A Federal old-age insurance system, the largest undertaking of its kind ever attempted, has been organized and under it there have been set up individual accounts covering 42,500,000 persons, who may be likened to the policyholders of a private insurance company.

In addition, there are the splendid accomplishments in the field of public health, vocational rehabilitation, maternal and child welfare, and related services, made possible by the Social Security Act.

We have a right to be proud of the progress we have made in the short time the Social Security Act has been in operation. However, we would be derelict in our responsibility if we did not take advantage of the experience we have accumulated to strengthen and extend its provisions.

I submit for your consideration a report of the Social Security Board, which, at my direction and in accordance with the congressional mandate contained in the Social Security Act itself, has been assembling data, and developing ways and means of improving the operation of the Social Security Act.

I particularly call attention to the desirability of affording greater old-age security. The report suggests a twofold approach which I believe to be sound. One way is to begin

the payment of monthly old-age insurance benefits sooner, and to liberalize the benefits to be paid in the early years. The other way is to make proportionately larger Federal grants in aid to those States with limited fiscal capacities, so that they may provide more adequate assistance to those in need. This result can and should be accomplished in such a way as to involve little, if any, additional cost to the Federal Government. Such a method embodies a principle that may well be applied to other Federal grants in aid.

I also call attention to the desirability of affording greater protection to dependent children. Here again the report suggests a twofold approach which I believe to be sound. One way is to extend our Federal old-age insurance system so as to provide regular monthly benefits not only to the aged but also to the dependent children of workers dying before reaching retirement age. The other way is to liberalize the Federal grants-in-aid to the States to help finance assistance

to dependent children.

As regards both the Federal old-age insurance system and the Federal-State unemployment-compensation system, equity and sound social policy require that the benefits be extended to all of our people as rapidly as administrative experience and public understanding permit. Such an extension is particularly important in the case of the Federal old-age insurance system. Even without amendment, the old-age insurance benefits payable in the early years are very liberal in comparison with the taxes paid. This is necessarily so in order that these benefits may accomplish their purpose of forestalling dependency. But this very fact creates the necessity of extending this protection to as large a proportion as possible of our employed population in order to avoid unfair discrimination.

Much of the success of the Social Security Act is due to the fact that all of the programs contained in this act (with one necessary exception) are administered by the States themselves but coordinated and partially financed by the Federal Government. This method has given us flexible administration and has enabled us to put these programs into operation quickly. However, in some States incompetent and politically dominated personnel has been distinctly harmful. Therefore I recommend that the States be required, as a condition for the receipt of Federal funds, to establish and maintain a merit system for the selection of personnel. Such a requirement would represent a protection to the States and citizens thereof rather than an encroachment by the Federal Government, since it would automatically promote efficiency and eliminate the necessity for minute Federal scrutiny of State operations.

I cannot too strongly urge the wisdom of building upon the principles contained in the present Social Security Act in affording greater protection to our people rather than turning to untried and demonstrably unsound panaceas. As I stated in my message 4 years ago: "It is overwhelmingly important to avoid any danger of permanently discrediting the sound and necessary policy of Federal legislation for economic security by attempting to apply it on too ambitious a scale before actual experience has provided guidance for the permanently safe direction of such efforts. The place of such a fundamental in our future civilization is too precious to be jeopardized now by extravagant action."

We shall make the most orderly progress if we look upon social security as a development toward a goal rather than a finished product. We shall make the most lasting progress if we recognize that social security can furnish only a base upon which each one of our citizens may build his individual security through his own individual efforts.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 16, 1939.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES-REPORT OF OPERATIONS UNDER EMERGENCY RELIEF ACTS

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompany papers, referred LXXXIV-25

to the Committee on Expenditures in the Executive Departments:

To the Congress of the United States:

As required by the provisions of the Emergency Relief Appropriation Acts of 1937 and 1938, I present herewith a report of the operations under these acts to the end of the calendar year 1938.

This report contains detailed and summary statements of the Treasury Department reflecting expenditures made, obligations incurred by classes and amounts, and the status of funds under each of the above-mentioned acts. In addition thereto, similar information is presented for the Relief Acts of 1935 and 1936. These statements have been compiled as of December 31, 1938.

Reports of operations of the Works Progress Administration, the Farm Security Administration, the Public Works Administration, and other agencies receiving funds under title I and title II of the Work Relief and Public Works Appropriation Act of 1938 are also included.

A supplementary report prepared by the Treasury Department is being forwarded under separate cover showing the status of funds, including expenditures made and obligations incurred for each official project, approved under the Emergency Relief appropriation acts.

Franklin D. Roosevelt.

THE WHITE HOUSE, January 10, 1939.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—AMERICAN-MEXICAN CLAIMS

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompany papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States of America:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that legislation may be enacted to authorize appropriations for expenses of a representative of the United States and of his assistants, and for one-half of the joint expenses of this Government and the Government of Mexico, in giving effect to the agreement of November 9-12, 1938, between the two Governments providing for the settlement of American claims for damages resulting from expropriations of agrarian properties since August 30, 1927.

Franklin D. Roosevelt.

THE WHITE HOUSE, January 16, 1939.

[Enclosure: Report.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES-FOREIGN SERVICE

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States of America:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State and the accompanying draft of proposed legislation designed to extend the facilities of the Public Health Service to active officers of the Foreign Service of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 16, 1939.

[Enclosures: (1) Report of the Secretary of State; (2) draft of proposed bill.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES-ANNUAL REPORT OF CENTRAL STATISTICAL BOARD

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments: To the Congress of the United States:

Pursuant to the provisions of section 5 (f) of the act of Congress approved July 25, 1935, I transmit herewith for the information of the Congress the Fourth Annual Report of the Central Statistical Board for the period from July 1, 1937, to June 30, 1938.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 14, 1939.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES-ON TAXATION OF FEDERAL OWNERSHIP OF REAL ESTATE (H. DOC.

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Public Buildings and Grounds, and ordered to be printed, with illustrations.

To the Congress of the United States:

At a meeting of the National Emergency Council held December 17, 1935, I designated the Secretary of the Treasury, the Attorney General, and the Acting Director of the Bureau of the Budget to serve as a committee to make a study of Federal ownership of real estate and of its bearing on State and local taxation. This study has been completed and I am transmitting herewith for your information, and such further use as you may deem desirable, the report of the committee and the accompanying tables and charts.

It will be noted that the report concludes with the following recommendations:

1. That all branches of the Federal Service be directed to 1. That all branches of the Federal Service be directed to declare completely, accurately, and promptly their surplus land and improvements in order that a prudent use for such properties may be found or that they may be offered for sale.

2. That the Procurement Division of the Treasury Department continue to maintain a current permanent record of all Federal real estate in order that there may be constantly on file available and depends his information with respect thereto.

and dependable information with respect thereto.

3. That there should be constituted a Federal Real Estate Board composed of a representative from each of the governmental agencies in charge of considerable holdings of Federal income-produc-ing property, a representative from the Procurement Division, and a representative from the Bureau of the Budget. The duty of this Board should be to study and make recommendations regarding the situation existing in individual communities adversely affected by the purchase of substantial amounts of land and their consequent removal from the regular tax rolls of the county or other taxing district; to advise with Federal agencies contemplating the acquisition of additional real estate; and to submit recommenda-tions regarding the disposition of lands that are essentially in the nature of surplus property.

I have approved of the recommendations of the committee and, in order to put them into effect, I have issued an appropriate Executive order establishing the Federal Real Estate Board, and providing for the maintenance by the Procurement Division, Treasury Department, of a current record of all Federal real estate. I am enclosing herewith a copy of this Executive order.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 16, 1939.

# EXTENSION OF REMARKS

Mr. COLMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record with reference to the message of the President on the subject of social security.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Speaker, I am very much encouraged by the President's message which the Clerk has just read, dealing with the question of benefits to the aged. I was particularly pleased with that paragraph of the President's message which suggested that old-age benefits might be increased "to those States with limited fiscal capacities." is a principle for which I have contended from the very inception of the question of old-age security. I hope, Mr. Speaker, that it will not be amiss for me to point out for the benefit of the membership that when this bill was first being considered by the Ways and Means Committee early in 1935 I gave a statement for the benefit of the committee which ap-

pears on pages 1084 and 1085 of the published hearings. In that statment I urged that the entire question of old-age assistance in the form of pensions should be recognized as a Federal one. I pointed out with considerable emphasis that the comparatively poor States, such as Mississippi, would not be financially able to match dollar for dollar the Federal contribution.

Failing to get this provision written into the bill by the committee, I again called the attention of the House to this question on April 16, 1935, when the bill was being considered (p. 6012, CONGRESSIONAL RECORD, 74th Cong.). I then informed the House that upon the reading of the bill for amendments I would offer an amendment which would provide that the Federal Government should pay the full \$15 regardless of State contribution. Some days later I offered an amendment to the Social Security Act, which was then in the course of being enacted, in the nature of a compromise which provided for the Federal Government putting up four-fifths and the State only putting up one-fifth. In other words, under my amendment, if adopted, the States would only have to match the Federal Government's contribution on the basis of 20 cents on the dollar. While there was considerable support of that amendment at that time, it failed to receive the necessary majority and therefore was not written into the law.

Following the same principle, when the Seventy-fifth Congress convened I introduced a bill, H. R. 4086, which would have required the Federal Government to pay the full \$15 regardless of State contribution. Failing to get favorable action on this bill, I introduced the same bill on January 5 last, and this bill is now known as H. R. 1814 and has been referred to the Ways and Means Committee, where is it now pending.

Mr. Speaker, I am grateful for the opportunity thus afforded me to call the attention of the House at this time to the necessity for the amendment of such legislation. Some of our States simply cannot, because of the absence of certain natural resources, collect the necessary revenue to match the Federal contribution. I repeat that I am much gratified and encouraged that the President of the United States has recognized the justice of this proposition, and I therefore hope that the opportunity for the enactment of this principle into law is much enhanced.

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the Resident Commissioner from Puerto Rico?

There was no objection.

# PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes following the address of the gentleman from Mississippi [Mr. RANKIN].

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. Under the special order of the House heretofore made, the gentleman from Vermont [Mr. Plum-LEY] is recognized for 20 minutes.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a message from the Governor of the State of Vermont and certain communications incident thereto, which material I undertook to insert in the Appendix of the RECORD last Friday. I was advised by the Public Printer, however, that my material exceeded the limit by about a page. I may say in this connection that I submit this request because of numerous telephone inquiries I have had from Members with respect to it.

Mr. RANKIN. Reserving the right to object, Mr. Speaker, the gentleman means now the message of the Governor of Vermont to the legislature?

Mr. PLUMLEY. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Vermont [Mr. PLUMLEY]?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, in the first place, I desire to call attention to the message of the Governor of Vermont to the Vermont Legislature with the accompanying correspondence between the Governor and the representatives of the Federal Government, which read as follows:

MESSAGE OF GOV. GEORGE D. AIKEN TO THE JOINT SESSION OF THE GENERAL ASSEMBLY OF THE STATE OF VERMONT

Members of the general assembly, this joint assembly has been requested to meet so that I may lay before you for your consideration the serious threat to our common rights which arises from the proposed flood-control activities of the Federal Government within our borders.

This is no new problem, but developments of the last few days make it urgent that the State, as represented by this legislature, take prompt and vigorous action to defend its sovereignty, and particularly its sovereign control of the natural resources located

within our boundaries.

Flood control became a matter of common concern for us and our sister New England States after the flood of 1936. We hoped to the control of protection for and expected to attain a satisfactory measure of protection for the Connecticut River Valley through the New England flood-

the Connecticut River Valley through the New England flodcontrol compacts between these States. These compacts were
drawn in March 1937 and were approved by all the States involved.
But because of the opposition from the Federal administration
they were never ratified by the Congress.

In June 1938 Congress enacted an amendment to its flood-control law during the hectic closing hours of the session. Lastminute amendments, introduced hastily from the floor and never
even referred to a committee, gave the Federal Government authority to acquire lands and water resources of the States without
the consent of the State where such resources are located. The
constitutionality of this law is, of course, very doubtful.

Under these circumstances it did not seem likely that Federal
officials would have the wish or inclination arbitrarily to enforce
their will against the wishes of the people of the State involved,
and without consulting them. Yet in October 1938 the Vermont
Board of Public Works was notified by the War Department that
it proposed to construct a dam at Union Village. The State had
been consulted in no way.

it proposed to construct a dam at Union Village. The State had been consulted in no way.

I wrote to Secretary of War Woodring and advised him that although Vermont could not and would not recognize the right of the Federal Government to acquire our land and our water without our consent, nevertheless the State would gladly cooperate with the Federal Government in the construction of this dam. We also offered to confer with him or his representatives.

When I made this offer of Vermont's cooperation in flood control I had two things in mind. The first was a sincere belief that we in the upper valley of the Connecticut should afford as much protection as possible not only to our own people but also to the

tection as possible not only to our own people but also to the people of other States in the lower Connecticut Valley. I also had in mind that an offer of cooperation from Vermont would require a demonstration of sincerity on the part of the Federal Govern-

ment.
On October 21 General Kingman, Col. John S. Bragdon, and Captain Vimey, all Army engineers, called at my office and discussed the proposed dam at Union Village. I told these representatives of the War Department that Vermont was willing and ready to cooperate with the Federal Government in affording flood protection to the people of Vermont and the States south of us. On the same date I authorized our board of public works to enter into negotiations with the War Department concerning the Union Village Dam. On the very same day the board of public works voted to cooperate with the War Department and Army engineers and advised Colonel Bragdon that they would be pleased to confer with him or his representatives at any time.

On the next day, October 22, I wrote the Chief of Engineers of the War Department at Washington reiterating the State's willingness to cooperate in the construction of this dam. I cited to the Chief of Engineers the provisions of the State laws permitting this cooperation.

this cooperation.

this cooperation.

On October 26 Brig. Gen. M. C. Tyler, Acting Chief of Engineers, of the War Department, wrote me that Secretary of War Woodring had authorized Colonel Bragdon, district engineer, to confer with the Vermont Public Works Board and work out a procedure for cooperation. Acting on this authority, Colonel Bragdon met with the public works board on November 4 and submitted a tentative agreement between the Federal Government and the State.

After constitute constitute considering this proposed expression, the public

agreement between the rederal Government and the State.

After carefully considering this proposed agreement, the public works board on November 14 wrote Colonel Bragdon suggesting certain clarifying changes. No reply was received from the War Department until December 19, when Colonel Bragdon came to Montpelier with a revised contract. This had been drawn up by

the War Department and, as he said, approved by it.

This contract was approved as to form by Attorney General Lawrence Jones, of Vermont, considered by the Vermont Public Works Board, found satisfactory, and signed by them. It was signed for the United States Government by Colonel Bragdon. Thereafter I approved it in writing on behalf of the State of Vermont. The contract was then complete except for ratification of Colonel Bragdon's signature by the Chief of Engineers of the United States

Nothing further was heard from the War Department until a newspaper article appeared in the Christian Science Monitor of January 6 to the effect that Secretary of War Woodring had refused

to approve this agreement which was written by the War Department itself, and not one word by Vermont officials.

The following day, January 7, Secretary of War Woodring wrote me as follows: "I do not feel that it will be necessary to complete the drafts of formal agreements which have previously been prepared covering this procedure."

This repudiated the previous negotiations and contract.

It is almost beyond belief that the Federal Government should consider the taking of our lands of so little importance that it doesn't even require a written agreement.

The very fact that they feel that way raises a very grave issue, not only for our State but for all the States of the Union.

That issue is not flood control; we have offered our cooperation

not only for our State but for all the States of the Union.

That issue is not flood control; we have offered our cooperation for flood control, and it has been arbitrarily refused. That issue is not cheap power development by the Federal Government, because the agreement as signed by the State of Vermont did not prevent the Federal Government from developing power.

The issue is simply and solely the insistance of the Federal Government that it can take from us what it chooses, when it chooses, without any regard at all for our wishes or our rights. For more than a year I have warned that behind the flood control, behind the power development, was a deliberate attempt to prepare the way

than a year I have warned that behind the flood control, behind the power development, was a deliberate attempt to prepare the way for a little group of men to run things their way, good sometimes, bad sometimes, but always their way, forgetting that a check with the home folks and their wishes is not only good practical horse sense but the very essence of democracy.

By spurning our offer of cooperation for legitimate purposes the Secretary of War has stripped the situation of all pretense. He is evidently impatient with democracy. We can only conclude that neither flood control nor water power but domination is the Federal Government's secret motive.

It is now put squarely up to us Vermonters to decide what we

It is now put squarely up to us Vermonters to decide what we want to do. We can submit meekly, surrendering resource after resource until we are no longer self-supporting and free. Or we can boldly face the facts as they are now uncovered. We can fight or we can run.

I have no doubt what your choice will be.

I, therefore, respectfully recommend that the general assembly, through its constituent houses, take the following action:

First. Petition the Congress of the United States to direct the

Secretary of War to approve the proposed contract between the State of Vermont and the Federal Government.

Second. Petition the Congress to repeal the unfair and unjust amendments to the Flood Control Act under which the Federal Government claims the right to take our lands and waters without

Third. Appropriate a substantial emergency fund to be expended by the Governor in all legal and proper ways for the defense of our sovereign rights, to the end that this injustice to us and to our

descendants be forever prevented.

Vermont has always cooperated fully and freely with the Federal Government. We want to now. But we will be unworthy of our heritage if we do not insist on the recognition of our statehood and the common rights of common men.

EXECUTIVE DEPARTMENT,
Montpelier, Vt., October 15, 1938.

Montpelier, Vt., October 15, 1938.

Hon. Harry S. Woodering,
Secretary of War, Washington, D. C.

My Dear Secretary Woodering: I am advised by H. E. Sargent,
commissioner of highways and chief engineer for Vermont, that he
has received a communication from Lt. Col. J. S. Bragdon, district
engineer for the War Department, advising him that funds are
available for the immediate start of construction of a dam on the
Ompompanoosuc River about one-fourth mile north of Union
Village, Vt., and requesting a conference to consider the relocation of
highways in this area. highways in this area.

It is my duty to inform you that Vermont does not recognize the right of the United States Government to purchase or acquire land within the State without the consent of the State.

The State of Vermont will, however, cooperate with the Federal Government in the construction of this dam in accordance with the laws of this State, and we are willing to confer with you or your representatives to discuss this matter.

Yours very truly,

GEORGE D. AIKEN, Governor.

WAR DEPARTMENT, Washington, October 26, 1938.

Hon. George D. AIKEN, Governor of Vermont, Montpelier, Vt.

Governor of Vermont, Montpelier, Vt.

Dear Governor Aiken: I refer to your letter of October 15, 1938, relating to the availability of funds for the immediate start of construction of a dam near Union Village, Vt., wherein you advise that Vermont does not recognize the right of the United States Government to purchase or acquire land within the State without the consent of the State, but that the State will, however, cooperate with the Federal Government in the construction of this dam in accordance with the laws of the State, and that you are willing to confer with me or my representatives to discuss this matter.

accordance with the laws of the State, and that you are willing to confer with me or my representatives to discuss this matter.

I am advised that since the date of your letter Brig. Gen. John J. Kingman, Assistant Chief of Engineers, United States Army, and Lt. Col. John S. Bragdon, district engineer, Providence, R. I., have conferred with you and that the department is now engaged in formulating a procedure whereby the services of your State may be utilized in the acquisition of lands and in the relocation of highways.

I am gratified to receive your kind offer of cooperation in the prosecution of the flood-control project at Union Village and am sure that such action on your part will facilitate an early completion of the work.

Sincerely yours.

HARRY H. WOODRING, Secretary of War.

EXECUTIVE DEPARTMENT, Montpelier, Vt., October 21, 1938.

EMERY A. MELENDY,

Chairman, Board of Public Works,
Montpelier, Vt.

DEAR MR. MELENDY: Engineers of the War Department have expressed a desire to start construction of a flood-control dam at Union Village immediately.

You have my approval to enter into negotiations with the War Department in accordance with the authority given you by section 4975 of the Public Laws of Vermont, as amended, to the end that work on this project may not be delayed.
Yours very truly,

GEORGE D. AIKEN, Governor.

EXECUTIVE DEPARTMENT, MONTPELIER, VT., October 22, 1938.

CHIEF OF ENGINEERS, War Department, Washington, D. C.

War Department, Washington, D. C.
(Attention: General Kingman.)

DEAR SIR: Friday, October 21, 1938, General Kingman, Colonel
Bragdon, and Captain Viney, of the Army Engineers, visited me at
my office in the statehouse in Montpelier, Vt., to discuss the proposed flood-control dam at Union Village in the town of Thetford, Vt.

That conference was attended by Attorney General Jones and Mr. Philip Shutler of the flood-control committee.

Mr. Philip Shutler of the flood-control committee.

Since that conference I have given careful thought to this matter. I believe that the War Department is sincere in its efforts to provide flood control. As Governor of the State of Vermont, I desire to cooperate with the War Department in accomplishing that purpose in a manner that will avoid delay and yet conform to the laws of both the United States and of the State of Vermont. Section 4975 of the Public Laws of Vermont, as amended, provides in substance that, with the written approval of the Governor, the public works board is authorized to cooperate and to contract with Federal agencies for flood-control purposes. It is likewise authorized to acquire in the name of the State all land and rights necessary for such purpose. It is also authorized to transfer such property so acquired, by lease or deed, to the United States.

Section 2 of the Federal Flood Control Act of 1938 provides in part as follows: "Title to all lands, easements, and rights-of-way for such project shall be acquired by the United States or by States, political subdivisions thereof, or other responsible local agencies and conveyed to the United States."

Therefore, under the Vermont law, the public works board can

Therefore, under the Vermont law, the public works board can acquire title to the necessary lands and easements and then convey the same to the United States, and the United States can receive the same under authority of the so-called Flood Control Act. The public works board can contract with the United States to carry out its part in each a receiver. out its part in such a program.

It is therefore possible under existing law for the State of Vermont, through the Governor and the public works board, to give its consent to the immediate construction of a flood-control dam at Union Village, Vt., and to arrange for the transfer of the title to the necessary lands, and easements to the United States.

For 2 years Vermont has shown its willingness to make sacrifices to aid its sister States, and to the end that construction of a flood-control dam at Union Village may be begun without delay, I have authorized the board of public works to cooperate with the War Department to the fullest extent and to contract with the War Department for the acquisition and eventual transfer to the United States of the necessary lands and easements.

This action indicated no change in my opposition to acquisition of Vermont lands by the Federal Government without the State's consent. It does mean, however, that Vermont is willing to consent to the use of the necessary land for flood control at Union Village.

I believe that this will demonstrate to our sister States that we

I believe that this will demonstrate to our sister States that we are willing to do all within reason to provide them with some measure of protection from floods. It will aid in defining the real question at issue and should ascertain whether the Federal administration is motivated by a desire for flood protection of New England States, or under the guise of flood control is seeking to destroy the sovereignty of the States and to centralize all authority in Washington

My action should dispel false impressions to the effect that Vermont's attitude on the flood-control question has been subservient to the interests of public utilities, however ridiculous such assertions must seem to those who know my record.

If the administration desires to have immediate construction started on the dam at Union Village, which site has already been approved by the Vermont Legislature for a flood-control dam, it can do so by the method herein offered. If, on the other hand, the Federal administration attempts to condemn or acquire lands without the consent of the State, it will cause substantial delay in the

building of the dam at Union Village and indicate that the administration's real purpose is to destroy the States.

In concluding let me express the hope that this matter will be amicably settled and that construction of the dam will proceed in accordance with plans heretofore submitted, which will provide recreational facilities that will partially offset the losses which the town and the State would otherwise retrieved. town and the State would otherwise sustain. Very truly yours,

GEORGE D. AIKEN. Governor.

WAR DEPARTMENT, Office of the Chief of Engineers, Washington, October 26, 1938.

Hon. George D. AIKEN,

Governor of Vermont, Montpelier, Vt.

Dear Governor Aiken: This office is in receipt of your letter of October 22, 1938, addressed to the attention of General Kingman and relating to the proposed flood-control dam at Union Village,

October 22, 1938, addressed to the attention of General Kingman and relating to the proposed flood-control dam at Union Village, Vt. In this letter you state that Vermont is willing to consent to the use of necessary land for flood control at Union Village, and express the desire that the lands and easements necessary be acquired through the Public Works Board of the State of Vermont.

I am pleased to advise that the Secretary of War has this date approved the recommendation of this office that the Department avail itself of your offer to acquire, through the public works board and thereafter convey to the United States upon a reimbursement basis, all lands, easements, and rights-of-way necessary for the project. Based upon the provisions of section 2 of the Flood Control Act approved June 28, 1938, it is understood that the Department shall determine what lands, easements, and rights-of-way are necessary; that it shall make reimbursement upon acceptance of title by the United States; and that such reimbursement shall be limited to sums equivalent to actual expenditures deemed reasonable by the Secretary of War and the Chief of Engineers.

The Secretary of War has further authorized the district engineer of the locality to confer with your public works board, or with an appropriate official of the State, to work out a procedure of cooperation, and Col. John S. Bragdon, the district engineer of the locality, has been advised accordingly.

I desire to express my appreciation of your kind offer of cooperation and feel sure that the construction of the project will be facilitated thereby.

Very respectfully,

M. C. Tyler,

Very respectfully,

Illy, M. C. TYLER,
Brigadier General, Acting Chief of Engineers.

EXECUTIVE DEPARTMENT,
Montpelier, Vt., October 29, 1938.

Gen. M. C. Tyler,

Acting Chief of Engineers,

War Department, Washington, D. C.

Dear General Tyler: This is to acknowledge your letter of October 26 accepting our plan whereby the proposed flood-control dam at Union Village may be built with the consent of this State and in accordance with Vermont law.

I appreciate very much the fine spirit of cooperation evidenced by the War Department in this flood-control matter, and sincerely hope that through our negotiations this entire matter may be finally settled, and that flood control, a problem of vital importance to our citizens, may once and for all be removed from the realm of

I feel confident that the contract covering the details as to what lands are necessary, the type of dam to be constructed, the time of conveyance, and method of reimbursement and other material details can be agreed upon forthwith by your Department and our board of public works.

Very sincerely yours,

GEORGE D. AIKEN, Governor.

AGREEMENT BETWEEN THE STATE OF VERMONT AND THE UNITED STATES OF AMERICA FOR LAND ACQUISITION FOR THE DAM SITE AND RESERVOIR BASIN OF THE UNION VILLAGE DAM, IN VERMONT

of AMERICA FOR LAND ACQUISITION FOR THE DAM SITE AND RESERVOIR BASIN OF THE UNION VILLAGE DAM, IN VERMONT

Whereas the Flood Control Act approved June 28, 1938, Public, No. 761, Seventy-fifth Congress, provides, in part, as follows:

Be it enacted, etc., That hereafter Federal investigations and improvements of rivers and other waterways for flood control and allied purposes shall be under the jurisdiction of, and shall be prosecuted by, the War Department, under the direction of the Secretary of War and supervision of the Chief of Engineers. \* \* \* Sec. 2. That section 3 of the act of June 22, 1936 (Public, No. 738, 74th Cong.), as heretofore amended and as herein further modified, shall apply to all flood-control projects except as otherwise specifically provided by law.

That in case of any dam and reservoir project, or channel improvement or channel rectification project for flood control, herein authorized or heretofore authorized by the act of June 22, 1936 (Public, No. 738, 74th Cong.), as amended, and by the act of June 15, 1936 (Public, No. 678, 74th Cong.), as amended by the act of June 15, 1936 (Public, No. 678, 74th Cong.), as amended, title to all lands, easements, and rights-of-way for such project shall be acquired by the United States or by States, political subdivisions thereof, or other responsible local agencies and conveyed to the United States, and provisions (a), (b), and (c) of section 3 of said act of June 22, 1936, shall not apply thereto. Notwithstanding any restrictions, limitations, or requirement of prior consent provided

by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification projects. ervoir project or channel improvement or channel rectification project for flood control with funds heretofore or hereafter appropriated or made available for such projects, and States, political subdivisions thereof, or other responsible local agencies shall be granted and reimbursed, from such funds, a sum equivalent to actual expenditures deemed reasonable by the Secretary of War and the Chief of Engineers and made by them in acquiring lands, easements, and rights-of-way for any dam and reservoir project, or any channel improvement or channel recification project for flood control heretofore or herein authorized: *Provided*, That no reimbursement shall be made for any indirect or speculative damages: *Provided further*, That lands, easements, and rights-of-way shall include lands on which dams, reservoirs, channel improvements, and channel rectifications are located; lands or flowage rights in reservoirs and highway, railway, and utility relocation.

are located; lands or flowage rights in reservoirs and highway, railway, and utility relocation.

SEC. 5. That, in carrying out the purposes of this act, the Secretary of War and the Secretary of Agriculture are hereby authorized to cooperate with institutions, organizations, and individuals, and to utilize the services of Federal, State, and other public agencies, and to pay by check to the cooperating public agency, either in advance or upon the furnishing or performance of said services, all or part of the estimated or actual cost hereof.

Whereas title 21, section 4974, of the Public Laws of Vermont, provides as follows:

provides as follows:

provides as follows:

SEC. 4974. Purpose of chapter: To provide cooperation by the State with the Federal Government in the construction of public works as provided by an act of Congress entitled "The National Industrial Recovery Act," approved June 16, 1933, and in the construction of public works as provided in an act of Congress entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes," approved March 31, 1933, and as provided now or hereafter under other acts of Congress, there is hereby created a board of public works. The board shall consist of the members of the State highway board, ex officio, and the chairman of the State highway

way board, ex officio, and the chairman of the State highway board shall be chairman of the board of public works.

And whereas section 4795 of the Public Laws of Vermont as amended by No. 4 of the acts of the special session of 1934 and as again amended by No. 111 of the acts of the general assembly of

1937 provides as follows:

1937 provides as follows:

The board of public works, with the written approval of the Governor, is authorized and empowered to cooperate and contract in the name and on behalf of the State with the Federal Government in the construction and maintenance of any public-works project prepared by the Federal Emergency Administrator of Public Works or other Federal agency now or hereafter created; to accept grants, loans, leases, and assistance from the Federal Government for the construction, repair, improvement, or carrying out of such projects as such board with the written approval of the Governor shall designate; to acquire, with the written approval of the Governor, by gift, purchase, lease, or by the exercise of the power of eminent domain any real or personal property, including property held for public use, in connection with the of the power of eminent domain any real or personal property, including property held for public use, in connection with the construction and carrying out of any such project; to convey to the Federal Government by deed or lease any of such real or personal property so obtained; to change, alter, modify, with the written approval of the Governor, any contract, agreement, deed, or conveyance executed or entered into under the provisions of this section, or any term or terms thereof by mutual agreement of the parties thereto; to manage, control, and maintain any such public works.

In order to carry out the provisions of the foregoing acts as to the particular project herein mentioned, it is agreed between the State of Vermont and the Chief of Engineers without prejudice to the rights of the State of Vermont with respect to any other proceedings under the cited act of Congress, as follows: Contingent upon continued congressional appropriation, the United States will construct a dam at Union Village, Vt., with an approximate storage capacity of 40,000 acre-feet equivalent to approximately 5½ inches of run-off on the watershed.

The State of Vermont will procure all necessary lands, ease-

Storage Capacity of 10,000 activated to 15½ inches of run-off on the watershed.

The State of Vermont will procure all necessary lands, easements, and rights-of-way necessary for the dam and the reservoir, and will deed title thereof to the United States. The United States will reimburse the State of Vermont sums equivalent to the actual expenditures made by it in the acquisition of the necessary lands, easements, and rights-of-way as deemed reasonable by the Secretary of War and the Chief of Engineers.

For the United States:

J. S. Bragdon,

J. S. Bragdon,
Lieutenant Colonel, Corps of Engineers,
United States District Engineer.
Julian L. Schley,

Major General, Corps of Engineers, Chief of Engineers. Approved as to form December 19, 1938.

LAWRENCE C. JONES Attorney General.

For the State of Vermont:

EMERY A. MELENDY, OSCAR A. RIXFORD, JOHN A. KILBOURN, Board of Public Works, State of Vermont.

Approved:

GEORGE D. AIKEN. Governor of Vermont.

WAR DEPARTMENT. Washington, January 5, 1939.

Hon. George D. Aiken,
Governor of Vermont, Montpelier, Vt.

Dear Governor Aiken: With further reference to my letter of October 26, 1938, advising you that funds had become available for the construction of a flood-control dam near Union Village, Vt., I desire to advise you further that the preparation of plans and specifications for this structure has now proceeded to the point where the project may be advertised for actual construction in the very near future.

It is desired to begin construction at this locality as promptly as possible in order to provide the people of the State of Vermont

It is desired to begin construction at this locality as promptly as possible in order to provide the people of the State of Vermont and of the lower States with flood-control benefits at the earliest practicable date. In order to accomplish this purpose, I shall be pleased to accept the cooperation which you have so kindly offered, to acquire through your board of public works the necessary lands, easements, and rights-of-way, in the manner authorized in title 21, sections 4974 and 4975, of the Public Laws of the State of Vermont, and to continue this procedure unless experience, not now foreseen, discloses difficulties in this method. The provisions of the above State statutes appear to conflict in no way with section 2 of the Flood Control Act approved June 28, 1938. In view of these things, I do not feel that it will be necessary to complete the drafts of formal agreements which have previously been prepared covering this proposed procedure.

pared covering this proposed procedure.

In order that there may be no delay in initiating construction of the Union Village Dam, I trust I may receive your early and favorable reply to the views expressed above.

Sincerely yours,

HARRY H. WOODRING, Secretary of War.

EXECUTIVE DEPARTMENT, MONTPELIER, Vt., January 7, 1939.

EXECUTIVE DEPARTMENT,
MONTPELIER, VT., January 7, 1939.

Hon. Harry H. Woodring,
Secretary of War, Washington, D. C.

Dear Secretary Woodring: Your letter of January 5 referring to the proposed dam at Union Village and the agreement, signed by Lt. Col. J. S. Bragdon for the War Department and Emery Melendy, O. A. Rixford, J. S. Kilbourne, of the board of public works, and approved by myself for the State of Vermont, has been received.

I interpret this letter to mean that the United States Government does not recognize and approve this agreement.

Your letter indicates that you expect the State of Vermont to acquire the necessary lands, easements, and rights-of-way for the Federal Government without any formal agreement. Considering the amount of land and money involved, ordinary business practice would call for a written contract.

Section 4974 of the Public Laws of Vermont provides: "The board of public works with the written approval of the Governor is authorized and empowered to cooperate and contract in the name of and on behalf of the State with the Federal Government in the construction and maintenance of any public-works project prepared by the Federal Emergency Administrator of Public Works or other Federal agency now or hereafter created." It is obvious that I cannot give my written approval to a contract the terms of which are not given in writing.

It is unfortunate that you cannot see your way clear to construct the dam at Union Village in the manner which was agreed upon.

Very sincerely yours,

Very sincerely yours.

GEORGE D. AIKEN, Governor.

At this point I desire to insert the joint resolution demanding retention of the sovereignty over land and the natural resources of the State of Vermont, which was adopted by the legislature in response to the message of the Governor, and was approved on January 12, 1939, a certified copy of which I am filing, reading as follows:

Whereas the sovereign State of Vermont, through its board of public works, acting upon the written authorization of its Governor, George D. Aiken, did on its part enter into a contract with the United States of America, acting through the Secretary of War, entitled "Agreement between the State of Vermont and the United States of America for land acquisition for the dam site and reservoir basins of the Union Village Dam in Vermont"; and Whereas the operation of the aforesaid contract was prevented by the refusal of the United States of America, acting through its Secretary of War, to confirm and bind itself in writing to the terms of the agreement as the State of Vermont on its part had already done in good faith: and

done in good faith; and

Whereas the Governor of the State of Vermont under date of

Whereas the Governor of the State of Vermont under date of January 7, 1939, did inform the Secretary of War in writing that the executive of a sovereign State could not give his written approval to a contract, the terms of which were not given in writing; and Whereas the State of Vermont through its Governor, George D. Aiken, under date of October 15, 1938, did inform the Secretary of War that Vermont did not recognize the right of the United States of America to purchase or security land within the State without of America to purchase or acquire land within the State without the consent of the State, affirming at the same time the readiness of the State of Vermont to cooperate with the United States of Amer-ica in the acquisition of land for the dam site and reservoir basin in the town of Thetford, in accordance with the laws of the State of Vermont, and pledging his willingness to negotiate an agreeWhereas the failure of the United States of America to give evidence of its sincerity by entering into a written agreement with the State of Vermont places the internal sovereignty of the State of Vermont over its lands and natural resources and its people in double jeopardy because the Flood Control Act of 1938 amending section 3 of the act of 1936, chapter 795, section 2, 52 Statutes 1215, title 33, United States Code, Annotated, section 701 (c-1), repealing the sacred words "with the consent of the State" and substituting therefor the arbitrary words "notwithstanding any restrictions or limitations or prior consent by any other act," thereby giving the Secretary arbitrary powers openly to flaunt and to ignore the internal sovereignty of a sovereign State in the acquisition of lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or rectification project for flood-control purposes; and Whereas the failure of the United States of America to give evi-

control purposes; and
Whereas the silence at this critical hour of the State of Vermont whereas the shence at this critical hour of the State of Vermont to insist that the extension of article I, section 8, and clause 3 of the Constitution of the United States of America giving Congress power to regulate commerce with foreign nations and among the several States in such an arbitrary and unnecessary manner makes void article X of the amendments to the Constitution of the United States of America reserving to the States respectively, or to the people, rights not delegated to the United States of America; and

Whereas the growing and menacing ambition of those in authority and influence in the Capital of the United States of America is so to mutilate the intent of article X of the amendments to the Constitution of the United States of America as to centralize paramount authority in Washington by emasculating the internal sovereignty of the several States over their lands and resources; and

Whereas the aforesaid issue between the sovereign State of Vermont and the United States of America has been joined by the arbitrary disregard of the principle of the reserved rights of the people, and of the several States, and if this faithlessness to the sacred Federal structure of these United States of America is allowed to go unchallenged, the present affront to the several States of the Union will be but the entering wedge progressively to divest and further to encroach upon the sacred area of rights reserved to the people, and to the several States; and

Whereas the sad plight of other sections of our world, as well as the history of our own land before the formation of these United States of America, warns us that liberty itself withers when arbitrary power, heedless of respect for negotiation, consent, and respect for the rights and obligations of others, gathers unto itself powers which are unrestrained by law: Therefore be it

Resolved, etc., proclaiming sympathy for those communities which have suffered and may again suffer from catastrophes caused by disastrous floodwaters, declaring its readiness to cooperate with the United States of America and the several States in measures designed to prevent such floods and their human and economic tragedies, insisting that the internal sovereignty of the State of Vermont cannot be invaded or compromised without its consent, warning the several sister States of the Union that the program of an arbitrary, ambitious, and unscrupulous minority must now be prevented from usurping the rights and powers reserved to the people and to the States, and reiterating the question which Thomas Chittenden placed before the Congress of the United States of America when in 1779, under similar circumstances and in a similar memorial, he wrote:

memorial, he wrote:

"The general assembly will be pleased to learn over what part of this State you mean to extend your claim, and how far you mean to carry such pretensions into execution. Every necessary step shall be pursued to bring about an equitable accommodation of all differences, agreeable to the strict rules of justice and equity; which cannot be attended to \* \* \* without explicit acknowledgment of the independence of this State. Can a people such as ours be dragged, or flattered, into a subjection \* \* \* merely to allow them a stretch of jurisdiction, and thereby augment this power?" power?"

That the honorable Senate and House of Representatives of the Congress of the United States of America be respectfully requested to direct the Secretary of War to execute in behalf of the United States of America the aforesaid "agreement between the State of Vermont," already executed in good faith by the board of public works and the Governor of the State of Vermont; and he it further. and be it further

Resolved, That the honorable Senate and House of Representatives of the Congress of the United States of America be respectfully requested to uphold the sacred faith and tradition of the American people by repealing forthwith such enactments as may allow the United States of America to invade the internal sovereignty of a sovereign State over its land and natural resources without its consent thereto; and be it further

Resolved, That copies of this resolution be sent by the secretary Resolved, That copies of this resolution be sent by the secretary of state to the Vice President of the United States, as the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to each Senator and Representative who represents the State and people of Vermont in the Congress of the United States of America.

OSCAR L. SHEPARD,

Speaker of the House of Representatives.

WM. H. WILLS.

President of the Senate.

Approved January 12, 1939.

GEORGE D. AIKEN, Governor.

In order that you may have before you the evidence of the recorded position which has been taken by the Governor of the State, I wish to insert at this point a telegram, which reads as follows:

MONTPELIER, VT., January 14, 1939.

Hon, CHARLES A. PLUMLEY.

Hon. Charles A. Plumley, House of Representatives, Washington, D. C.:

I have been informed that the President has stated that if Vermont doesn't want any dams Vermont doesn't have to have them. I hope the President is not trying to becloud the real issue. It is not flood-control dams we oppose. It is surrendering of State sovereignty and resources to the Federal Government as a price for building these dams that we object to. As evidence of this, I am urging the New England congressional delegation to press for ratification of the New England flood-control compacts immediately and to amend the 1938 flood-control law by restoring to all the States the same rights they held previous to its enactment. GEORGE D. AIKEN

Governor of Vermont.

In common with a good many of you I also received the following telegram from the Governors of the several New England States:

Boston, Mass., January 14, 1939.

Congressman Charles A. Plumler, House of Representatives, Washington, D. C.:

We urge the Federal Government to cooperate immediately with the New England States to accomplish flood control without demanding the complete surrender to the Federal Government of basic rights which belong to the people in the States. We believe that the natural resources of all the States belong

to the people therein and that they should not be taken away without the consent of the States acting through the duly chosen

representatives of the people.

Gov. George D. Aiken, Montpelier, Vt.

Gov. RAYMOND E. BALDWIN, Hartford, Conn. Gov. Lewis O. Barrows, Augusta, Maine. Francis P. Murphy, Concord, N. H., Governor. Leverett Saltonstall, Boston, Mass., Gover William H. Vanderbilt, Providence, R. I.

Now, Mr. Speaker, may I say that the vital issue involved is not and cannot be disposed of by flippant remarks emanating from the White House or anywhere else?

The Governors of six sovereign States have entered into a compact to protect their States insofar as possible against further encroachment or domination. It would be interesting, were I at liberty to disclose, how many other Governors have indicated that they were in full accord with the attitude, position, and pronouncement of the six who have entered into the compact.

The issue involving the sovereignty of their States and their rights will not be blown away by any blast of "hot air," nor disposed of by any attempt to array State against State by promising to take money away from one and give it to another. Such insinuations and such an attitude only strengthen the purposes of those who propose to fight to a finish for the underlying principle of government with which this issue is concerned.

I ask you to read carefully all the documents submitted and that you familiarize yourself with the situation generally; having done so, you will be forced to admit that, while my statements are moderate, they are absolutely correct.

A few days before Governor Aiken delivered his message to the Legislature of the State of Vermont, Secretary Woodring had repudiated a proposed contract between Vermont and the Federal Government. In this agreement, signed by the Governor and the divisional Army chief, Vermont deeded the land to the Federal Government after the latter asked consent of the State. The site involved only flood control but no power development. Secretary Woodring replied that no written agreement was necessary, for under the Barkley Flood Control Act of 1938 lands can be taken without consent, and that power equipment would be installed.

It has been well said that future historians will write no more disgraceful page than the New Deal record of New England flood control. For 2 years the New England Governors under the then existing laws sought the approval of compacts which would have laid the foundation for an excellent flood-control system through Federal-State cooperation. The administration, determined to capture the waterways of the Nation, blocked the compacts, and finally pushed

the Barkley Act through the Senate at 2 a. m. on a hot June night. Under the new law the Federal Government can seize land without consent, make retroactive payments to a certain State, exclude other States from its provisions, and accept the recommendations of the politically appointed Federal Power Commission on an equal plane with the Army engineers-in reality the fact-finding reports of the latter no longer count by reason of orders given to the former.

In August the President announced that there were no funds available for flood control during the current fiscal year. However, the New England floods and hurricane changed the picture. Suddenly the President found \$11,000,-000 for flood control which had not been available 2 months before. The New England Governors, remembering the famed Maryland bridges in the Tydings campaign, accepted the gesture as a typical jack-in-the-box to capture the New Deal for New England. The people of New England, however, are "a wiser and a tougher people," and swept Senator Brown and Congressman Kopplemann and other anticompact representatives out of office. The preelection move to put the Republicans on the spot failed utterly. The sight of United States Army engineers marking out land for seizure did not dismay the descendants of the Green Mountain Boys. The spirit of Ethan Allen stalks abroad with the words of Governor Aiken: "We can fight or we can run."

In New Hampshire the Land Use Act of 1935 was invoked, denying the right of the Federal Government to acquire land without consent except for post offices, customhouses, and national defense. In his inaugural speech on January 5 Governor Murphy hoped that differences between the Federal and State Governments could be settled, for "to become involved in costly litigation with the national administration, with consequent long delays in undertaking needed flood control, would be unfortunate. We still entertain hope that adjustment can and will be made and a common basis of action arrived at." Upon his recommendation a special flood-control commission has been appointed by the New Hampshire Legislature.

There are two courses of procedure open to the States in the present deadlock, one legal, the other political. The States will probably take their case to the Supreme Court, basing their major claim that the Federal Government has no right under the Constitution to condemn land within a State without the State's consent. A constitutional restriction cannot be set aside by a statute passed by Congress such as the 1938 Flood Control Act. The States have indicated their intent to cooperate with the Federal Government on flood control after consent has been given, but they deny the right to condemn land for power purposes. They refuse to cooperate on this basis, and the Federal Government will have to prove its right to proceed against the will of the

Mr. RANKIN. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman says he does not object to condemning the land, but does object to condemning the land for power purposes.

Mr. PLUMLEY. No; I did not say that. We do not object-

Mr. RANKIN. To condemning the land for power purposes?

Mr. PLUMLEY. We object to condemning the land and taking it without our consent.

Mr. RANKIN. What are you objecting to that for? The gentleman says he does not object to it being condemned for flood purposes, or for power purposes. Why does he object?

Mr. PLUMLEY. We object to it being taken without our consent.

Vermonters, as is evidenced by their action, are of the opinion that today the American principles of life, which have been taken more or less for granted, must be protected, even at the untold cost of blood and treasure. hour has come for self-examination, and for extermination from our body politic of all legislation that threatens our democracy. The States must retain their sovereign rights or else become branch offices of Washington.

The newly elected Members of Congress are entitled to know something of the background and the history of legislation pertinent to, and pertaining to the present situation. It may be stated for your information that, on the eve of adjournment of the last session of Congress the Senate approved an amendment to the flood-control bill which specifically empowered the Federal Government to take title, without the consent of the State affected, to lands desired for the construction of dams and reservoirs.

Senators from New England and from the Western States vigorously fought this amendment, pointing out that it overruled the policy approved under the Flood Control Act of 1936. This provided that property should not be condemned without the consent of the States concerned. Such arguments were of no avail, and the measure was rushed to passage with only a few people realizing the significance of a controversial amendment which carried the "must" label of the administration.

Indeed, the one feature of the flood-control act to which President Roosevelt gave unrestrained approval was this very amendment which the Governors of the six New England States are now preparing to fight as a challenge to States' rights and an invasion of State sovereignty. An illuminating light is thrown upon the underlying purpose of this amendment by the President's comment at the time of signing the bill:

Insofar as this bill provides for an improvement in jurisdictional control over the properties involved, and a more adequate control over consequential power developments, it is a definite step in the right direction.

In leading the opposition to this far-reaching encroachment on the States, Governor Aiken of Vermont shows that he is not hostile to the Federal Government's power program. Neither does he oppose flood control. On the contrary the State of Vermont has demonstrated its willingness to cooperate with the Federal authorities in carrying out their program in accordance with the terms of an agreement which Secretary Woodring has set aside. The issue, as Governor Aiken sees it, is "simply and solely the insistence of the Federal Government that it can take from us what it chooses, without any regard at all for our wishes or our rights."

Mr. RANKIN. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Missis-

Mr. RANKIN. The Government makes no attempt to take property without paying compensation to the owners, does it? It proposes to pay whatever this property is worth, does it not?

Mr. PLUMLEY. We do not propose that it take this property unless we say it may.

Mr. RANKIN. In other words, the gentleman is not kicking about the price; he is kicking about the consent feature?

Mr. PLUMLEY. That is correct.

Mr. REED of New York. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from New York. Mr. REED of New York. Is it not a fact that a sovereign State entered into what appeared to be a perfectly fair contract with the State of Vermont?

Mr. PLUMLEY. With the Federal Government.

Mr. REED of New York. Yes. Vermont, a sovereign State, entered into a definite agreement with the Federal Government.

Mr. PLUMLEY. Orally.

Mr. REED of New York. Then attempted to repudiate that by an act of Congress, is that right?

Mr. PLUMLEY. That might be said to be true. Mr. RANKIN. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi. Mr. RANKIN. As a matter of fact, there never was any contract consummated between the State of Vermont and the Federal Government, was there?

Mr. PLUMLEY. As a matter of fact, the representatives of the Federal Government not only orally negotiated this contract but reduced it to writing and submitted it to the State for the signatures of the State officials, which were appended thereto. When the contract was returned it was repudiated.

Mr. RANKIN. But it never was approved by the Federal

Government. That is the fact, is it not?

Mr. PLUMLEY. It is all a question of who the gentleman thinks constitutes the Federal Government. In my opinion, the Secretary of War took his orders from the Commander in Chief. I cannot be made to believe that the Army engineers were sent to Vermont, made a survey and made their oral contract, reducing it to writing, and sending it to Vermont for signature without Mr. Woodring's tentative approval at that time. After that something happened.

Mr. RANKIN. If the gentleman will yield further, as a matter of fact, this contract never was approved by the Fed-

eral Government, was it?

Mr. PLUMLEY. It never was approved by the Commander in Chief, the President.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi. Mr. WHITTINGTON. Has the gentleman presented, or will he include in his remarks, the proposed contract signed by the Government and the authorities of Vermont?

Mr. PLUMLEY. I will, yes; as well as the communications had with the War Department.

Mr. WHITTINGTON. And the letter of the Secretary of War dated January 5?

Mr. PLUMLEY. Yes.

Mr. WHITTINGTON. Is there any difference in the authority for Federal condemnation for dams under the Flood Control Act of 1938 and the power of the Federal Government to condemn for post-office sites, veterans' hospital sites, or for sites for dams involving reclamation in the far West and other condemnations?

Mr. PLUMLEY. The gentleman is well informed as to that and does not have to ask me. He is chairman of the Com-

mittee on Flood Control.

Mr. WHITTINGTON. If the gentleman wants the Record to show the facts, will he not admit that the Federal Government, in the instances mentioned as well as in other instances, has the right to condemn without the consent of the States in which the projects are located?

Mr. PLUMLEY. Yes; and we are going to undertake to

Mr. WHITTINGTON. In other words, you are going to undertake to repeal the right of the Federal Government to construct a post office in Vermont unless your State consents in writing to the condemnation proceeding?

Mr. PLUMLEY. We are going to undertake to prevent the Federal Government from making further encroachments on

the rights of the States.

Mr. WHITTINGTON. I may say to the gentleman, with his permission, that the power to condemn contained in the Flood Control Act of 1938 is a power similar to that contained in the reclamation acts under which dams have been constructed in the Western States for reclamation and irrigation purposes. This power is similar to the power contained in other Federal acts authorizing the Federal Government to condemn for public purposes in connection with the construction of public buildings.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I ask unanimous consent that the gentleman from Vermont may be permitted to proceed for 5 additional minutes.

The SPEAKER pro tempore (Mr. May). Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. There are some national forests in New England, are there not?

Mr. PLUMLEY. Yes.

Mr. RANKIN. Are there any in Vermont?

Mr. PLUMLEY. Yes.

Mr. RANKIN. Would the gentleman object to the Federal Government condemning and taking property on payment of due compensation, without getting somebody's consent?

Mr. PLUMLEY. Objection has been made.

Mr. RANKIN. They took it, though, did they not?

Mr. PLUMLEY. By consent.

Mr. RANKIN. Yes. Would the gentleman make that unanimous consent?

Mr. PLUMLEY. No.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi.
Mr. WHITTINGTON. Will the gentleman insert in his remarks any stipulation in any statute where consent is required for the condemnation of land for Federal forests?
As a matter of fact, the Federal Government can condemn where it desires without the consent of the State. They have done it in New England as well as in other parts of

the country.

Mr. PLUMLEY. Yes, but the State of Vermont has objected. I would want to check up on this statement. I would not want to make any wild statement.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PLUMLEY. In just a moment.

The State of Vermont objected to the creation of a national parkway through the State of Vermont because it involved the taking of certain lands of the State of Vermont without the consent of the State. I can put information as to that in the Record, as well as anything else I can find on the subject.

Mr. WHITTINGTON. With respect to the national forests as well as the parkway, the gentleman's State has many

more forests than parkways.

Mr. ENGLEBRIGHT. Mr. Speaker, will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from California. Mr. ENGLEBRIGHT. Is it not true that national forests are created by legislative enactment?

Mr. PLUMLEY. By act of Congress.

Mr. ENGLEBRIGHT. Therefore, the State through its duly elected Representatives has an opportunity to be heard with regard to the boundaries of such forests, whereas in this situation there is a broad power to exercise the right of eminent domain without the consent of the State being required or there being any opportunity for the wishes of the State to be considered. Is not that the difference?

Mr. RANKIN. Mr. Speaker, will the gentleman yield? Mr. PLUMLEY. I yield to the gentleman from Missis-

sipp

Mr. RANKIN. I wish to ask a question of the gentleman from Vermont, but may I say to him before propounding my question that there is not a chance in the world of getting this law changed. If the law cannot be changed, is the gentleman from Vermont willing to deny the people of Vermont and New England the benefits of flood control merely because the consent of some one up there is not obtained? The question here is flood control in New England. If the Federal Government is not permitted to proceed under the present law there will be no flood control in New England for the time being.

Mr. PLUMLEY. I understood that was threatened.

Mr. RANKIN. Not threatened, it is a statement. We are not going to let Vermont come here and change an entire law just to gratify someone's desire to have his consent required.

Mr. PLUMLEY. I have understood that was the attitude. Flood control is obviously a national problem, but it does not follow that effective control of floodwaters requires a centralization of power which would deprive the States of all voice in determining how such projects shall be developed. The States and their subdivisions have a very great stake in these undertakings and they are entitled to participate in deliberations on matters that vitally concern them.

Vermont's Governor has made it clear that he has no desire to obstruct the Federal Government in carrying out pro-

grams that are a matter of interstate and national concern. All he seeks to determine is whether the State has certain rights reserved to it under the Constitution which the Federal Government must respect. And even if the courts were to uphold the right of the Federal authorities to proceed with their flood-control program in Vermont without seeking the approval of the State, the method would still be open to condemnation. For it does violence to the basic principles upon which our Federal form of government is founded.

The obvious and the best solution of the controversy lies in repeal of the offending amendment and a return to the policies outlined under the Flood Control Act of 1936.

Governor Aiken has repeatedly pointed out that the issue is not confined to Vermont or its people. If the Federal Government is allowed to take land in Vermont without consent of the State, it could take oil wells in Texas and coal fields in West Virginia in the same manner, and other resources of any other State.

The issue is so plain it looms above the Presidential fog as does Mount Shasta over the fogs that drift eastward at its

The issue is not flood control; we have offered our cooperation for flood control and it has been arbitrarily refused-

### Said Governor Aiken. The issue is-

not cheap power development by the Federal Government, because the agreement as signed by the State of Vermont did not prevent the Federal Government from developing power. The issue is simply and solely the insistence of the Federal Government that it can take from us what it chooses, without any regard at all for our wishes or our rights.

It is a fact that in recent years the Federal Government has been steadily invading the realm hitherto reserved to State jurisdiction, and it has been doing so with very little resistance from the States themselves. The chief reason has been that Federal intervention has usually been accompanied by the expenditure of Federal funds in the States. The States have been bribed into acquiescence, as ex-President Coolidge once suggested they would be under such a policy; but the irony of the situation has been that they have been bribed with their own money. Federal funds are not manna from heaven. They must come ultimately from the citizens of the individual States, for the simple reason that there is nowhere else from which they may come.

And if the Federal Government be permitted to take the property of the States, from what source, may I ask, can the States eventually hope to derive any revenue, and must they not, therefore, eventually lose their identity, sovereignty, and become just cogs in the big machine, the power for which has been accumulated by and through just such means and measures as are herein involved? That is the issue.

So there is more than much to be said for the necessity of preservation of the rights of the States and for the decentralization of political power in order to prevent its dangerous centralization and concentration in the hands of any one group or any one man.

The right of the States to self-preservation, self-determination, and the continuance of orderly democratic government is the issue, when the fog of flippancy is dispelled by the sunlight of fact.

I read with interest, and I desire to direct your attention to an editorial which appeared in the Washington Post this Monday morning:

As a result of Governor Aiken's vigorous stand against Federal acquisition of land in Vermont without that State's consent, the White House has announced that it will make no effort to force through the flood-control project at Union Village. The Governor seems to be justified in assuming that the President fears a test

of the issue in the courts.

In thus recognizing the right of Vermont to be consulted as to the acquisition of land within its borders for flood-control projects, however, the administration seeks to impose a severe penalty upon

however, the administration seeks to impose a severe penalty upon that State. The much-needed flood-control project at Union Village is to be canceled. Since the State refuses to surrender its rights, its people will be left to combat potential floods without the Federal aid offered to less independent Commonwealths. As spokesman for the President, Stephen T. Early tries to evade the real issue by saying that other States will be glad to use the flood-control funds which the War Department was planning to spend in Vermont. He would like to leave the impression that the Granite State is not interested in protection from floods. Actually

the State is willing to turn over the desired reservoir site to the Federal Government. It refuses only to acknowledge the right of Federal agencies to take the land without its consent.

Of course, the White House is entirely right in saying that the Flood Control Act gives it the right to take land for flood-control purposes without consent of the States. But Mr. Early falls into serious error when he contends that "there was no resentment" when this measure was passed. The Senate Chamber rang with resentment when it was discovered that an amendment permitting such encroachment upon States' rights had been written into the Road-control build during the president ways with little and the state of the stat flood-control bill during the preadjournment rush, with little or no consideration of the principle at stake.

That blunder on the part of an over-worked Congress cannot be corrected simply by denying flood protection to States which insist on maintaining their rights. The act should be amended to re-store the traditional requirement of consent from the States before their land may be doomed for this Federal program. In effect, the President has recognized the undesirability of overriding the wishes of a State in matters of this sort. This being the case, he cannot reasonably ask that the means of coercing the States into a surrender of vital rights be left in his hands.

That is comprehensive in its coverage, and it reflects the attitude and state of mind of the average person this country over.

Mr. Speaker, we are a free people because freedom has been the American ideal from the first days of the Republic, an ideal embodied in the opening words of the Declaration of Independence and firmly planted in the Constitution. But it has taken centuries of time and oceans of blood to achieve and secure those elemental freedoms embodied in our Bill of Rights, and should they be lost the whole agonizing path might have to be trod once more before happier generations would know again such liberty of person and freedom of spirit. Freedom stands only so long as free men make it stand against the winds of intolerance and abuse.

As the Representative of the people of Vermont, I will be pardoned I know, if I insist that you must understand them in order not to misunderstand the situation which has arisen. At every high point in history since the Green Mountain Boys laid claim to the territory they now occupy and know and love as Vermont, the everyday unknighted, unplumed citizens of that little State, unmoved by aught save their sense of duty, have stood in the ranks, done the day's work, asked naught of any man, served the State and saved the Nation, and they will do it again.

Compelled since the earliest days of their occupancy of the territory now known as Vermont on account of its exposed situation to face dangers of various kinds, and being accustomed to remove obstacles and to surmount difficulties by their personal exertions, they have acquired an unlimited confidence in their own ability, and imbibed the loftiest notions, with respect to what constitutes liberty and inde-

They are very practically minded; they may not be theorists; they may not be philosophers, but they have a theory and a philosophy, that every man and woman has a right to make of himself and herself everything, and whatever can be made, without Government aid or interference.

They have no utopian theory of a "more abundant life" than that they can carve out for themselves. They are the descendants, and they possess the characteristics and qualifications of their forbears, who fought for and wrought out the principles of civil and religious liberty, which are the foundation of, and were the starting point of all free institutions.

They have the innate, intense, and ineradicable notion that a man has a right to be free and to be secure in those rights guaranteed to him under the Bill of Rights.

The fundamental grounds which underlie our whole Government and our national life cannot be attacked, cannot be denied, cannot be made light of without serious danger to our entire political fabric.

Liberty-

# Said President McKinley-

is responsibility, and responsibility is duty, and that duty is to preserve the exceptional liberty we enjoy, within the law, and for the law, and by the law. God grants liberty only to those who love it, and are always ready to guard and defend it.

[Applause.]

The SPEAKER pro tempore (Mr. Cochran). Under a previous order of the House, the gentleman from Mississippi [Mr. Rankin] is recognized for 10 minutes.

Mr. RANKIN. Mr. Speaker, when I hear the gentleman from Vermont preaching to us the doctrine of State's rights I am reminded of the old adage, "Beware of the Greeks when they come bearing gifts."

If this new State's rights doctrine preached by the gentleman from Vermont were put into practice you could not build a post office in a single State of the Union if someone in a high official position in the State, such as the Governor, objected, even though such objection were prompted, as in my opinion this one is, by the selfish interests that are plundering the people of New England to the extent of more than \$100,000,000 a year in overcharges for electric lights

If the doctrine preached by the gentleman from Vermont had been put into practice we would not have built the veterans' hospital in Vermont-which I, as chairman of the veterans' committee, supported-without the consent of the Governor and the legislature.

If the doctrine preached by the gentleman from Vermont were the law of the land we could not do anything to control floods in New England or in any other State in the Union where some influence had control of the Governor or one branch of the State legislature. We would have to do it by a new form of unanimous consent.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Just for a question.

Mr. EBERHARTER. Does the gentleman know whether or not the Federal Government ever had any difficulty in getting the consent of any State in the Union for its floodcontrol projects?

I want to tell the gentleman what is Mr. RANKIN. behind all this fight.

Mr. EBERHARTER. Can the gentleman answer my question?

Mr. RANKIN. Yes: I am going to answer the gentlemen and tell him what is behind all this fight. They have been coming down here demanding ratification of the New England compact covering the six New England States.

The main influence behind this movement, in my opinion, is the Power Trust in New England, so that unless such development as it wanted was brought about, they could kill the whole program. This is what is behind this fight nowthe power companies in New England that are overcharging the people of the New England States alone more than \$100,-000,000 a year. If the people of New England paid the same rates for electric power that they are paying just across the line in Ontario, Canada, they would save at least \$100,000,000 a year.

Under this old compact, if it had been ratified, the Power Trust would have been able to influence at least one State administration, so that it would have been utterly impossible to operate under it. When the flood control bill came to the House last year, it did not contain this provision. This provision was prepared in my office. I got it passed upon and approved and sent to the Senate in order that we might proceed to develop the water power in New England, not only to control the floods and promote navigation, but that we might use it for the people of New England for all time to come to generate hydroelectric power.

Mr. EBERHARTER. Mr. Speaker, will the gentleman vield?

Mr. RANKIN. No; I must decline to yield further.

The people of New England have no coal, they have no oil, they have no gas, their soil ordinarily is poor-

Mr. PLUMLEY. I take exception to that. Mr. RANKIN. The greatest wealth of New England is her waterpower. It is her greatest natural resource, and yet they are not permitted to use it. That is the reason this fight is being brought on here. Certain interests do not want us to make it possible for them to do so.

Oh, I know that Governor Aiken imagines he is running for President on the Republican ticket. Why, he might as

well forget it. Any man who offers for President in 1940, with the stamp of the Power Trust's approval will simply have the "kiss of death" upon his brow to begin with. [Applause.]

The American people have learned what electricity is worth and we are going to keep informing them through the Con-GRESSIONAL RECORD.

Now, let us see what is behind this fight. There never was any contract entered into between the Governor of Vermont and the United States Government, and there is not going to be one entered into that will in any way impair the present law. We are not going to change that law. You might as well understand that now. If a few of you men from New England want to kill flood control in New England in order to gratify the cupidity of the Power Trust in those States, we will know it, because it will be exposed from the floor of the House; but we are not going to change this law. Those provisions are permanent.

The Federal Power Commission, when it made its investigation, brought back a report recommending the building of these dams and the insertion of pen stocks for the generation of hydroelectric power. That is what they are kicking about; they do not want these pen stocks put in these dams. They do not want any hydroelectric power generated in New England. They seem to prefer that the Power Trust, that apparently runs the politics of that section of the country at this time, continue to wring its pound of flesh from the struggling people of New England as they are doing today.

Oh, I know they proposed a contract to the Federal Government, but the Federal Government is not going to enter into any such treaty with any one of those States. Under the old compact, which was never ratified, you never could have done anything except build some levees, probably, with the result that you would have had recurrent floods, each worse than the one before; but under this law, which, in my opinion, is the best statute of its kind that has been passed in your day and mine, they cannot only go there and control the floods and save the lives and the property of the people of New England, they cannot only give them transportation and waterways that will guarantee them commercial intercourse with the rest of the world, but they can also develop the greatest natural resource in all New England, outside of the soil from which they live, and that is the hydroelectric power in those streams, and distribute it to the people of New England at what it is worth.

If that is done, it will reduce light and power rates in New England \$50,000,000 a year within the next 3 or 4 years.

Remember that under the old proposed compact the people of Vermont would have had to contribute a part of the cost of this dam. Under the present law the Federal Government pays the entire cost and take title to the land involved, and has complete control. That does not suit the Power Trust. They want to get their fingers in it. Therefore, this demand for unanimous consent.

I have the rates in my office in every town in Vermont and I ask unanimous consent that I may extend my remarks in the RECORD to include that table to show how badly those people are overcharged for electricity. It will show that practically every one of them is overcharged 100 percent.

The SPEAKER pro tempore (Mr. Cochran). Is there objection to the request of the gentleman from Mississippi?

Mr. RICH. Mr. Speaker, I reserve the right to object. How much of the RECORD will this table take?

Mr. RANKIN. It will probably take not over a page; certainly not over a couple of pages.

Mr. RICH. The gentleman knows that he has put a great deal into the RECORD already on that subject.

Mr. RANKIN. Oh, yes; and I shall put in some more. Let me say to the gentleman from Pennsylvania that I am one of the best Representatives his district has ever had in the House. Those facts that I have put into the RECORD have forced a reduction of power charges in his district more than anything that the Republican Party ever did in its 50 years of administration.

Mr. RICH. The gentleman said something about my district, and I think that I ought to defend my district.

Mr. RANKIN. Oh, no; I am taking care of the gentleman's district.

Mr. RICH. Oh, no; that is my duty.

Mr. RANKIN. Oh, yes; I shall take care of the gentle-

Mr. RICH. I am representing that district, and trying to do everything for it under the sun, but when I find out that the gentleman is trying to put the Government in business in everything, in every line, to the detriment of the people of my district, and that he is building up everything for the people down there in Mississippi, even to the extent of building factories, and trying to take the industries from my State, I think I have a right to complain.

Mr. RANKIN. Mr. Speaker, I did not yield to the gentle-

man for a speech.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. RICH. Oh, no. If the gentleman is going to help anybody, let him go ahead. I have no objection.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Mississippi be extended for 10 minutes,

The SPEAKER pro tempore. There is a previous order of the House. The Chair asks the gentleman from Pennsylvania if it is agreeable to him to have the time of the gentleman from Mississippi extended for 10 minutes?

Mr. RICH. O Mr. Speaker, already I have said that if the gentleman can help anybody let him go ahead.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I shall take a moment or two to reply to the gentleman from Pennsylvania [Mr. Rich]. When this administration came into power the people of Pennsylvania were overcharged from \$85,000,000 to \$104,000,-000 a year or more for electricity. The utilities owned \$100,-000,000 worth of property in Pennsylvania that was escaping taxation. They were piling that burden onto the masses of the people, and at the same time were charging exorbitant power rates, overcharging the people of Pennsylvania alone from \$85,000,000 to \$104,000,000 a year. We have reduced those rates and given a reduction to the people of Pennsylvania of about \$40,000,000 a year, and that has been accomplished because of the fact that I and other men who believe as I do have fought for it in the House and the Senate, with the assistance and support of the present President of the United States. So far as building factories in my country is concerned, there is nothing to it. No factories have been built in my district by any Federal aid. But the Power Trust has intimated such from one end of the country to the other because I have wrung their hands loose from the people of the district I represent, and if you will stay with us we will do the same thing for the people of every other congressional district in the United States.

Mr. PLUMLEY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; for a question.

Mr. PLUMLEY. I desire to make a statement in answer to the one the gentleman made. I know of the gentleman's information and enthusiasm on that subject.

Mr. RANKIN. I ask the gentleman not to use up my time.

Mr. PLUMLEY. I am not going to, but when the gentleman refers to the soil of Vermont as not being fertile, he is misinformed, and I am sure he would not care to go on record in that way, because we raise more bushels of wheat and corn and potatoes and every other agricultural product to the acre than any other State in the Union.

Mr. RANKIN. Yes; and it takes every bit of it to pay

your electric bills. [Laughter.]

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. VOORHIS of California. Will the gentleman explain briefly to the House what happened to the money spent

to pay these exorbitant electric bills if these rates were put down to where they belong?

Mr. RANKIN. I will tell you what would happen. If you will reduce those rates to the Ontario levels, the use of electrical appliances in that country will grow by leaps and bounds. We had to pay the same rates you have in my home town of Tupelo, when 19 percent of the consumers in that town had electric refrigerators. We have reduced those rates and today 90 percent of them have electric refrigerators.

Not only that, but they have increased the use of electric ranges, washing machines, electric irons, vacuum cleaners, water pumps, and everything else that goes to relieve human drudgery and contributes to the happiness and prosperity of the American home. We have promoted a program of rural electrification. Under it the highest rate that is paid in my district is 4 cents per kilowatt-hour. There is not a man in the gentleman's district, except in one little town—and his district covers the whole State—there is not a man in Vermont that I can find, except in one small town, that is not paying twice that rate, although right across the line in Ontario they are buying power cheaper than we are getting it in Tupelo or anywhere else in the Tennessee Valley area.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. HOFFMAN. Does not the gentleman know that we did all of that in our own little town, without any Government help, except that they loaned us the money on which they made a profit when they sold the bonds?

Mr. RANKIN. Yes. I know what you did. You live in Allegan, and the rates there are below the average.

I have gone through the electric rates of every congressional district in the United States. What we are trying to do is to break these rates down to the people, so that they can get cheap electricity, in order that they may enjoy the great blessings of modern civilization.

We are behind every other country on earth almost in rural electrification. Every country in Europe has 90 percent of its farms electrified. Some of them 100 percent. Even in New Zealand, that far off country, 65 percent of the farms are electrified. In this country less than 15 percent of them are electrified. In New England, where you need it most, those farmers who do get electricity have to pay such enormous rates for it that they cannot use it, except for the most meager purposes. If you will let us alone we will develop the water power of New England, and the people of those States will not only use it for the purposes I have mentioned, but they will use it to heat their homes.

I know some of you coal men oppose us on this, but you injure the coal business by doing so. You can generate power by coal in any State in this Union that has a coal mine, and distribute it at the T. V. A. yardstick rates and make money. But the Power Trust will not let you.

All the pressure of the Power Trust is being brought to bear today on Vermont, just as it was on Alabama, to try to get the State of Alabama to attempt to confiscate Muscle Shoals. It is brought to bear just as it was in Tennessee, trying to break up the efforts of those cities and towns and rural districts to get cheap electricity.

But they say, "We do not mind your spending money for flood control, we do not mind your spending money for veterans' hospitals, we do not mind your spending money for power, but we want you to get unanimous consent of every

Governor in New England."

Now, what does that mean? It simply means you will never have any flood control in New England. It means that if we were to comply with that request, this law would be dead, and flood control in New England would be at a standstill for all time to come. Because we never would get together. Do not you men get the idea that you are going to elect a Republican ticket with the Power Trust tied around its neck. That is impossible. You may carry some of the New England States—not all of them—but the rest of the country has moved off and left you. A Power Trust candidate for the Presidency in 1940 will not stand any more

chance to be elected than the Republican elephant would to hang from a horizontal bar by his eyebrows. If the Power Trust is going to try to elect a President that will destroy what this administration has done, and deny to the people of New England the right to have their water power developed and their power distributed at what it is worth, and bring up the question of unanimous consent in order to block it, and then destroy all the other good things this administration has done, then they might as well forget it, because the American people have moved away from that doctrine.

Now, Mr. Speaker, I ask unanimous consent to insert in the Record the T. V. A. rates, the Ontario rates, and some other rates at this point to compare with the Vermont rates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I insert below the light and power rates charged domestic consumers up to 100 kilowatthours per month under the Ontario rates, which are charged just across the line from Vermont; under the Tacoma rates, charged at Tacoma, State of Washington; and under the T. V. A. rates.

Just below it I insert a table showing the residential rates up to 100 kilowatt-hours now charged in every town in the State of Vermont. The reason I am stopping at 100 kilowatt-hours a month is that the average consumer in Vermont uses less than that amount.

From these tables you will see that practically every domestic consumer in the State of Vermont is overcharged 100 percent for electric light and power.

Table of comparative monthly rates—Residential service
MONTHLY CONSUMPTION

	Kilowatt-hours					
Rates	25	40	60	100		
Ontario	\$0.75 1,13 .75	\$1.02 1.52 1.20	\$1, 54 1, 72 1, 70	\$1, 74 2, 12 2, 50		

Table 1.—Vermont—Typical net monthly bills, Jan. 1, 1938—Residential service, communities of 250 population or more

Harman and All South	Population	Ligh	kilo-				
Community		Minimum bill		20	90	80	appliances, on-100 kilo-
		Amount	Kilowatt-hour included	15 kilowatt-hours	25 kilowatt-hours	40 kilowatt-hours	Lighting, small agand refrigeration—watt-hours
Alburg Arlington Barre Barre Berton Beechers Falls Bellows Falls Bennington Benson Besson Bethel Bloomfield Bomoseen Bradford Brandon Brattleboro Bristol Burlington Cenaan Castleton Cavendish Center Rutland Chelsea Chester Concord Danville Derby Center Derby Line Dorst East Arlington East Barre East Arlington	684 353 350 500 300 683 300	\$1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00	9 12 111 110 100 122 122 122 122 122 122	\$1. 65 1. 20 1. 28 1. 27 1. 20 1. 28 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20 1. 20	\$2.50 2.00 1.98 2.00 2.00 2.00 2.00 2.00 2.00 2.00 2.0	\$3.40 3.03 3.23 3.280 3.03 3.290 2.90 2.90 2.90 2.90 2.90 2.90 2.90	\$4.70 5.23 5.60 5.60 5.60 5.60 5.60 5.60 5.60 5.60

Table 1.—Vermont—Typical net monthly bills, Jan. 1, 1938—Residential service, communities of 250 population or more—Con.

A STATE OF THE STA	Lighting and small appliances				nees,		
		Minimum					applian n-100 l
Community	Population	Amount	Kilowatt-hour included	15 kilowatt-hours	25 kilowatt-hours	40 kilowatt-hours	Lighting, small appliances, and refrigeration—100 kilo-
East Concord East Dorset. East Fairfield East Middlebury East Poultney Enosburg Falls Essex Jounction Fair Haven. Fairfax Fletcher. Florence Forest Dale Georgia Gilman Graniteville. Greensboro Greensboro Greensboro Greensboro Greensboro Greensboro Greensboro Hardwick Hartford Highgate Center Hubbardton Huntington Center Hyde Park Hydeville Irrasburg Island Pond Jeffersonville Johnson Leicester Ludlow Lunenburg Lyndon Lyndon Center Lyndonville Manchester Manchester Centre Manchester Centre Manchester Depot Middlebury Middlebury Middlebury Middlebury Middlebury Middlebury Montgomery Center Montgomery Center Montpelier Montpelier Montpelier Montpelier Morth Clarendon North Bennington North Clarendon North Pownal North Springfield Northfield Northfield Falls Norton North Westminster Northfield Passumpsic Pittsford Pitt	285 350 250 325 366 1, 195 1, 621 2, 289 500 400 500 400 500 400 400 500 1, 000 400 400 1, 642 201 1, 550 659 400 2, 001 305 659 400 2, 003 250 641 494 288 883 262 680 450 1, 301 496 680 690 1, 301 496 680 690 1, 301 496 680 690 1, 301 496 680 690 1, 301 496 680 690 1, 301 496 680 690 1, 301 496 680 690 1, 301 496 680 690 1, 301 496 680 690 1, 301 496 680 800 690 800 800 800 800 800 800 800 800 800 8	\$1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00	12 12 12 12 12 12 12 12 12 12 12 12 12 1	1.53	\$2,00 2,00 1,88 1,98 2,20 2,10 1,88 1,98 2,20 1,88 2,10 1,98 2,10 1,98 2,20 2,10 1,98 2,20 2,10 1,98 2,20 2,10 2,10 2,10 2,10 2,10 2,10 2,10	\$2.80 \$2.90 \$2.90 \$3.30 \$3.290 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$3.30 \$	\$5.54.5.5.5.5.5.5.5.5.4.4.5.5.4.4.5.3.4.4.5.5.4.5.3.3.3.5.5.5.5

Table 1.—Vermont—Typical net monthly bills, Jan. 1, 1938—Residential service, communities of 250 population or more—Con.

	Population	Ligh	kilo-				
Community		Minimum bill		8	79	po .	appliances,
		Amount	Kilowatt-hour included	15 kilowatt-hours	25 kilowatt-hours	40 kilowatt-hours	Lighting, small apparent and refrigeration—watt-hours
Stowe Swanton Taftsville Vergennes Wallingford Waterbury Websterville Wells River West Arlington West Brattleboro West Brattleboro West Burke West Dummerston West Pawlet West Rutland West Fawlet West Rutland West Fawlet West Rutland Westfield West West Fawlet Wilder	531 1, 558 308 1, 705 700 1, 776 700 553 256 359 275 256 1, 050 2, 500 232 2, 690 600 350 611 3, 689 5, 308 1, 312	\$0.52 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.0	5 10 10 11 12 11 11 11 11 12 12 12 12 12 12 12	\$1. 30 1. 40 1. 50 1. 28 1. 28 1. 28 1. 20 1. 20 20 20 20 20 20 20 20 20 20 20 20 20 2	\$2. 10 2. 20 2. 50 1. 98 2. 00 1. 98 1. 98 2. 00 1. 85 2. 00 2. 00 2. 00 2. 00 2. 40 1. 98 1. 98 1. 98 1. 98 1. 98 1. 98 1. 98 1. 98 1. 98 1. 98 2. 00 2. 00	\$3. 30 2. 83 3. 55 3. 03 2. 90 3. 03 3. 03 3. 03 2. 80 2. 60 2. 90 4. 00 3. 60 3. 03 3. 03 3. 03 3. 03 3. 03 3. 03 3. 03 3. 03 3. 03 3. 03 5. 04 5. 04	\$5. 20 4. 33 5. 60 5. 23 5. 23 5. 23 5. 23 5. 23 5. 23 5. 60 4. 20 6. 60 5. 60 7. 75 5. 5. 60 4. 90 4. 90 4. 90 4. 90 6. 60 6. 25 6. 60 6. 60 60 60 60 60 60 60 60

Mr. RANKIN. Now, Mr. Speaker, I have here the letter and statement of the Secretary of War.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has again expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is that agreeable to the gentleman from Pennsylvania [Mr. Rich]?

Mr. RICH. Surely. If you give him 5 minutes, then I will ask for 5 additional minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RANKIN. Now, Mr. Speaker, understand we are not trying to take this property without due process of law. The Federal Government is not trying to confiscate this property.

It proposes to pay every dollar it is worth. It is not trying to injure anybody. It proposes to go in there, build this dam and reservoir for the benefit of the people of Vermont, and to pay whatever this property is worth. I have before me a statement from the Secretary of War that I want to read into the RECORD at this point:

JANUARY 5, 1939.

Hon, George D. Aiken,

Governor of Vermont, Montpelier, Vt.

Dear Governor Aiken: With further reference to my letter of October 26, 1938, advising you that funds had become available for the construction of a flood-control dam near Union Village, Vt., I desire to advise you further that the preparation of plans and specifications for this structure has now proceeded to the point where the project may be advertised for actual construction in the very near future.

It is desired to begin construction at this locality as promptly

It is desired to begin construction at this locality as promptly as possible in order to provide the people of the State of Vermont and of the lower States with flood-control benefits at the earliest practicable date.

# Now listen carefully to this:

In order to accomplish this purpose, I shall be pleased to accept the cooperation which you have so kindly offered, to acquire through your board of public works the necessary lands, easements, and rights-of-way in the manner authorized in title 21, sections 4974 and 4975, of the Public Laws of the State of Vermont, and to continue this procedure unless experience, not now foreseen, discloses difficulties in this method. The provisions of the above State statutes appear to conflict in no way with section 2 of the Flood Control Act approved June 28, 1938. In view of these things, I do not feel that it will be necessary to complete the drafts of formal agreements which have previously been prepared covering this proposed procedure.

In order that there may be no delay in initiating construction of the Union Village Dam, I trust I may receive your early and favor-able reply to the views expressed above.

Sincerely yours,

HARRY H. WOODRING Secretary of War.

Commenting on that, Secretary Woodring says:

My sole interest is to carry out the provisions of the Flood Control Act of 1938, which are as follows:

"" \* Notwithstanding any restrictions, limitations, or re-

trol Act of 1938, which are as follows:

"" \* Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification project for flood control, with funds heretofore or hereafter appropriated or made available for such projects; and States, political subdivisions thereof, or other responsible local agencies shall be granted and reimbursed, from such funds, sums equivalent to actual expenditures deemed reasonable by the Secretary of War and the Chief of Engineers and made by them in acquiring land, easements, and rights-of-way for any dam and reservoir project or any channel improvement or channel rectification project for flood control herefofore or herein authorized: Provided, That no reimbursement shall be made for any indirect or Provided, That no reimbursement shall be made for any indirect or

speculative damages \* \*."

As Secretary of War, I am proceeding under these provisions by which the United States Government expends the Federal tax-payers' money for complete flood control by building dams and reservoirs—in this instance in the State of Vermont—without the expenditure of one cent by the State.

Notice, not a cent is demanded. The Governor did not object to the fact that it would not cost the State of Vermont one cent. The only cent it would cost Vermont was unanimous consent.

I propose to follow the same procedure in Vermont as I have since the passage of the act in New York and in other States. I cannot accept lands transferred to the Federal Government if any restrictions are imposed by the State.

That is what the consent demanded is about. They want to put some strings onto it, and the strings would be that there should be no penstocks in these dams; therefore, no hydroelectric power generated.

I have served as Governor of a State myself, and I do not concede to Governor Alken, nor to any other person in the United States, a greater championship of States' rights. The War Department stands ready to cooperate with Governor Aiken, of Vermont, or any other State in the Union, in carrying out this Federal act according to the tenets of said act. In view of these facts, the responsibility for any delay in providing much-needed flood protection in the Convenciont Velley lies equarely with the Governor of Vermont. Connecticut Valley lies squarely with the Governor of Vermont.

Mr. Speaker, that is the whole story. The entire effort is to keep us from developing the hydroelectric power of that territory for the benefit of the people of New England. [Applause.]

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Pennsylvania [Mr. RICH] is recognized for 10 minutes.

### PERMISSION TO ADDRESS THE HOUSE

Mr. MAPES. Mr. Speaker, will the gentleman from Pennsylvania yield?

Mr. RICH. I yield.

Mr. MAPES. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. Thorkelson] may address the House for 10 minutes at the conclusion of the speech of the gentleman from Pennsylvania [Mr. Rich]

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RICH. Mr. Speaker, I had intended to address myself solely to one single subject, but I must digress for just a minute to comment on the speech of the gentleman from Mississippi [Mr. RANKIN]. I like the gentleman from Mississippi very much, and I sometimes believe he is most sincere in what he is trying to do; but when he tells you that the utilities of Pennsylvania and of this country have picked the pockets of the consumer, I ask myself where the greatest condemnation lies; whether against the individual picking the pockets of the consumers of this country, or whether

against politicians picking the pockets of the people of this country. In the past 3 or 4 years we have made so many radical and ridiculous expenditures of Government funds that we have increased our debt more than twice; we have increased it from nineteen and one-half billions in 1933 to thirty-nine and one-half billions in 1939-6 years increased more than 100 percent political pickpockets work. The debt is so huge and so staggering that it will take not only our children but our children's children, our children's children's children, and our children's children's children to pay the bill these New Deal politicians of the F. D. Roosevelt dynasty have unloaded on the people of this Nation. I can think of nothing more ridiculous or more unbusinesslike than the debts this administration has heaped upon the American people. It is a mystery to me how they figure the debts can be paid. Where are you going to get the money?

I am not going to talk so much about Government finances at this moment as I am about Government laws. Mr. Speaker, I take this opportunity to congratulate the people of Pennsylvania, for tomorrow they will induct into office as Governor, Arthur H. James, an honorable, upright, conscientious man, qualified in every way to be the Gov-

ernor of a great State. [Applause.]

He follows 4 years of New Deal rule. Until Governor Earle came into power the Keystone State had been governed by a Republican administration for 40 years. I venture the assertion, however, that it will require the Republicans almost another 40 years to get Pennsylvania out of the awful condition it finds itself in after 4 years of New Deal rule. It is not Democratic rule, it is New Deal rule; and I may say that it has been the worst administration Pennsylvania has ever had. We are hoping, however, that we may find ourselves in the position where we shall be able to overcome some of the obstacles and handicaps bequeathed to us by these 4 years of misrule.

Tomorrow will be a great day in the history of Pennsylvania. We hope, we pray, and we wish for the best of luck to the new Governor and to the legislature and his coworkers, that he may have cooperation to give the people of this great State an honest and conscientious administration of their affairs; an administration that will be a credit to a great State, an administration that will be honest, an administration that will be constructive, an administration that will be for the best interest of the people who inhabit the State, and to our Nation as well. I have hopes of all things that are good for our people.

Mr. RANKIN. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Mississippi.

Mr. RANKIN. The new administration which the gentleman talks about surely will not destroy the progress made in reducing the light and power rates for the people of Pennsylvania, will it?

Mr. RICH. Anything good that the past administration has given Pennsylvania, I can assure the gentleman from Mississippi, will be retained because the Republican Party has always been constructive and will do whatever is for the best interest of the greatest number of people.

Mr. RANKIN. That is all right. I hope that policy will

be carried forward.

Mr. RICH. Mr. Speaker, I want to read to the Members of the House a statement I received from the president of a bank in reference to his annual statement to the stockholders:

The first item in the statement is the amount invested in United States Government obligations aggregating two and a half United States Government obligations aggregating two and a half million dollars. This amount is abnormally large, and the determination of how much of the bank's funds should be thus invested, and what maturities should be held, is one of the most important and difficult problems facing your directors and officers. Of the amount stated, over 75 percent represents maturities of from a few months to 5 years. The balance represents maturities averaging about 7 years.

The principal reasons for investing so heavily in Government obligations are: The almost total lack of demand for desirable commercial loans; the uncertainties confronting the business world because of reckless spending on the part of both the State and Federal administrations, and the excessive, burdensome taxation

necessary to meet these expenditures; the constantly changing financial and economic policies of the Federal administration; the unfairness to business in certain provisions of the National Labor Relations Act, which threatens the closing down of many enterprises in nearly every line of industry; and the likelihood of wide fluctuations in bond prices as a consequence of these several

It is impossible for our economic machine to run indefinitely on money borrowed and spent by the Government.

This is a subject that could be discussed at length. Suffice to say that, in my judgment, no permanent improvement can be expected in our general business and economic conditions until the State and Educate harders are not belongered. State and Federal budgets are put in balance and certain regu-latory, confidence-destroying, and otherwise harmful laws and governmental policies are removed. This accomplished, private loans would gradually take the place of Government obligations in the portfolios of the banks; and this would be a most healthy change for the banks, the Government, and the general public.

Mr. Speaker, I believe the present Congress will try to correct any harmful laws that have been passed and will endeavor to secure a job for every man in this country. That is the most important thing confronting us today and I am going to suggest that you give it some of your time and study. I suggest the Wagner Act be one of the first to be considered, the N. L. R. B.

I have before me a survey made by Factory Management and Maintenance, which sent out a questionnaire to 1,500 business people in this country.

Mr. Speaker, at this time I ask unanimous consent to insert in the RECORD a part of this survey, the replies thereto, and a letter from the editor to me.

The SPEAKER pro tempore (Mr. SCHULTE). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The matter referred to is as follows:

FACTORY MANAGEMENT AND MAINTENANCE, New York, N. Y., January 6, 1939.

Representative ROBERT F. RICH,

House Office Building, Washington, D. C.

Dear Congressman Rich: Factory Management and Maintenance has recently completed a survey, the first of its kind, designed to determine the opinion of men engaged in industrial plant management concerning the Wagner National Labor Relations Act and the Labor Board.

The survey was Nation-wide in scope and, I think, completely representative. It shows that management men are not opposed on principle to the organization of employees by unions, and that on principle to the organization of employees by unions, and that they believe there is a need for legislation to safeguard the organizing rights of labor. But the survey shows also how completely dissatisfied are these men, experienced in the actual workings of the law, with the present act and the existing Board. By a ratio of 40 to 1, they recommend a substantive change in the act and by 8 to 1 a drastic change in the Board itself.

For your interest and information, I inclose a preprint of the article summarizing the results of the survey. I believe you will be impressed by its factual content, and I wish to call your attention especially to pages 44, 45, and 46, on which are reported the opinions of The Experience Group, composed solely of those who have had actual dealings with the Labor Board.

Very truly yours,

Very truly yours,

L. C. MORROW, Editor.

# FACTORY BALLOT

(Flease check yes or no)		
1. Do you think the Wagner Act has benefited— a. Industry?	Yes 107	No *1,303
b. Labor?	563	865
c. The public?	117	1,279
<ol> <li>Do you think there is a basic need for a law to safeguard the organizing rights of labor?</li> <li>Have you had occasion to deal with labor under</li> </ol>	1,024	413
the act?	637	748
a. Were complaints filed against your firm with N. L. R. B.?	391	776
b. Were hearings held before the N. L. R. B. examiner?	226	819
c. Did you have a strike?	247	801
d. In any of the above cases, do you feel you		001
were fairly treated by N. L. R. B.?	111	294
e. Do you think there would have been a labor dispute in your plant if there had		
been no Wagner Act?	64	776
	Access to been	AND DESCRIPTION OF STREET

Results are based on a total of 1,500 ballots. given question do not add up to 1,500 is explained by the fact that not everyone voted on every question.

4. (Answer 1 only, please) Do you think the act	Yes	No
should be-		
a. Amended?	951	
b. Repealed?	293	
c. Unchanged?	13	
<ol><li>Regardless of your answer to question 4, do you favor the following proposed amendments to the act:</li></ol>		
a Ma mushibit aminos fuens blanchaming on		
forcing men to join them?	1,455	36
b. To allow employers to advise employees, by letter, in conversation, or in the press, against joining unions, providing no threats are used?  c. To revise the Labor Board set-up with 2 distinct branches, one to prosecute cases and one to judge?  d. To include on the Labor Board equal rep-		
threats are used?	1,206	255
c. To revise the Labor Board set-up with 2 distinct branches, one to prosecute cases	1,200	200
and one to judge?	1, 262	131
d. To include on the Labor Board equal representation of labor, management, and the public?		
the public?	1,419	46
e. To allow employers, as well as unions, to request the Labor Board to hold plant		
request the Labor Board to hold plant		0.5
elections?	1,446	35
f. To require both employers and employees		
to sign contracts when an agreement is		
reached and to provide penalties for	1,317	149
g. To prohibit the Labor Board from con-	2,021	
ciliating labor disputes?	926	437
h. To permit strikes to be called only after a		
majority of all employees have voted by	A	N 1 132
secret ballot to strike?	1,378	82
1. To exempt an employer from the obligation		
to bargain, for a period of 1 year, with		
a labor organization if the employer can show before the Labor Board:		
1. That the real issue in the dispute is:		
a. The closed shop?	1, 193	191
b. The violation of an existing con- tract?	1,093	214
2. That the organization is engaged in or has within 1 year been engaged in:	bugat Lip	
a. A general strike?	982	306
b. A sit-down strike?	1,176	143
c. Repeated or systematic acts of vio-		
lence or destruction of prop- erty?	1, 216	105
6. Are you opposed on principle to the organiza-	1,210	100
tion of employees by unions?	238	1,229
	(A.F.L.)	
7. Given your choice would you rather deal with the	,	
craft (A. F. L.) or the industrial (C. I. O.) type		
of union?	1,022	202
8. If the appointive power were yours, would you continue the service on the Labor Board of—		
continue the service on the Labor Board of—	4	111000
Chairman J. Warren Madden?	Yes 123	No. 725
Edwin S Smith?	76	750
Donald W Smith?	78	753
Edwin S. Smith?	179	575
	Percent	
Has the act helped industry?	8	92
Has it helped labor?	40	60
Has it helped labor?  Has it helped the public?  Is there a basic need for a law to protect labor's	8	92
Is there a basic need for a law to protect labor's		
right to organize?	71	29
right to organize?Are you opposed to unionization?	16	84
Would you rather deal with craft (A. F. L.)	(A.F.L.)	
or industrial (C. I. O.) unions?	83.3	16.7
Mr BICH This survey suggests strongly	the need	d of a

Mr. RICH. This survey suggests strongly the need of a change. It is most imperative that we act and at the earliest possible moment.

Mr. SIROVICH. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. SIROVICH. I am interested in the remarks of the gentleman, particularly so far as the national debt of our country is concerned. May I call his attention to the fact, however, that Great Britain incurred a stupendous debt on account of the Napoleonic wars in 1815, just 125 years ago? Since the adoption of that debt in 1815, Great Britain has not repaid it up to the present time, and her financial stability and standing is respected throughout the world. The same thing will apply to the colossal debt of the United States of almost \$39,000,000,000. In time we shall repay this obligation the same as Great Britain has been doing for the past 125 years.

Mr. RICH. The gentleman from New York [Mr. Sirovich] has propounded a most interesting question. If, in 125

years, Great Britain has not repaid the debt contracted in 1815, it may take the United States a century or two to make good the obligations it has incurred in the World War, as well as the tremendous amount of money that has accumulated as a result of the deficit during the Roosevelt administration, which has brought our national debt to almost \$40,000,000,000. If Great Britain and our other allies to whom we loaned money during the World War and after the World War, would repay the rightful obligations they owe us, \$12,000,000,000 could be subtracted from our national debt. I believe that international decency demands that Great Britain, France, and all other nations to whom we loaned money should repay their debts to us.

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. The gentleman from Montana [Mr. Thorkelson] has permission to address the House. Is the gentleman's request satisfactory to the gentleman from Montana [Mr. Thorkelson]?

Mr. THORKELSON. It is satisfactory to me.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. Rich].

There was no objection.

Mr. CRAWFORD. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman quoted from the annual report of a bank. If I understand the gentleman correctly, the president of this bank said that they buy Government bonds because the market is denuded of commercial paper, is that correct?

Mr. RICH. That is right.

Mr. CRAWFORD. There is no commercial paper being created by industrial employment because of the fear of Government rules, regulations, and the legislation enacted by the Congress?

Mr. RICH. That is right.

Mr. CRAWFORD. Now, did I understand the gentleman to say that he believes this Congress is going to repeal or modify a lot of laws and remove this difficulty?

Mr. RICH. I am hopeful this Congress will repeal some of the acts passed during the last 4 years, thereby restoring confidence to the business people of this country so that an opportunity may be had for men to go into business. If the Congress does this, there will be an opportunity for men in business to put additional capital into their business, which will thereby create additional jobs for those men who are unemployed. Business will put 200 to work for 1 in the New Deal way on Government pay roll. If we build up this atmosphere in the minds and in the hearts of the people of this country who desire to go ahead, we will raise the national income to \$80,000,000,000, and it will not be done recklessly through the expenditure of Government money. [Applause.]

Mr. CRAWFORD. Has the gentleman taken the time to study even briefly the financial statements published by all the banks of the United States as of December 31, and when I say "all the banks," I mean just those banks that published statements on December 31, showing their holdings of Government bonds?

Mr. RICH. I did not make a particular study of that phase of the statement, but I know the banks now hold the largest amount of Government securities they have ever held at any one time.

Mr. CRAWFORD. In round figures, it is \$18,000,000,000. Has the gentleman also noticed that as new issues of Government securities have come out the banks in recent weeks have pushed the price of some of the bonds up to \$114 on a \$100 bond in an attempt to get a security that will pay just a little bit of interest and give some income to the banks? If that is to be our situation, what will happen when the market price of Government bonds breaks, which necessarily must occur if money goes back into private industry and we start to build toward an \$80,000,000,000 income, and the people start running away from Government bonds as they

are now running to them? When that time comes the banks will lose by the billions.

Mr. RICH. Any banker who is paying a premium on Government bonds today is a very foolish banker, in my judgment.

Mr. CRAWFORD. They are all doing it, and the gentleman's bank is doing it.

Mr. RICH. Now, be careful. We are trying to keep away from that.

Mr. CRAWFORD. The gentleman's bank is doing it.

Mr. RICH. If I have any influence in any bank with which I am associated, I say, "Watch that \$2,000,000,000 you have given the President and Mr. Morgenthau to hold up the price of bonds because whenever they spend all that money look out, boys, the roof is going to fall in," and they are careful.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield for

a brief question?

Mr. RICH. You gentlemen are not going to let me talk at all about the National Labor Relations Board.

Mr. SIROVICH. I will get the gentleman more time.

Mr. RICH. All right.

Mr. SIROVICH. Now that the gentleman has answered the distinguished gentleman from Michigan, will the gentleman please inform the House whether or not the banks of this country are in better financial condition today than they were in 1932?

Mr. RICH. The gentleman from New York would have me believe that just because the banks have a lot of Government bonds they can turn into cash and are in a more liquid position they are in better financial condition. Insofar as liquidity is concerned, that is true, but what is the value of a Government obligation today? Let me call your attention to the old German mark I hold in my hand, which in the time of Kaiser Wilhelm was worth 24 cents. This is a 100-mark note, and you know that when Germany repudiated her debts I could have secured a wagonload of these for 24 cents. They were not worth the paper they were written on. How do you know the bonds or the paper money of this country will be worth any more than the German marks if we do not try to keep the Government on a sound financial basis? That is what is worrying me. [Applause.]

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield further?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Would the gentleman prefer to have \$52,000,000,000 of deposits in the banks, which is the situation today, and no industry, or have a lot of industry going on with a much smaller amount of deposits in the banks?

Mr. RICH. I would rather have the industries of this country in full operation manufacturing the things the people of this country want. I would rather have our farmers busy raising our own produce, rather than have reciprocaltrade agreements which allow large quantities of commodities to be brought in from foreign countries. This is the first thing I would like to have so we can give the people of this country work. I want a job for our people, so they can get off the dole and earn an honest American livelihood.

[Here the gavel fell.]

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from Montana [Mr. Thorkelson] is recognized for 10 minutes.

Mr. THORKELSON. Mr. Speaker, I have been sitting here quietly for about 3 weeks listening to discussions dealing with many problems which concern the fundamental basis of the Government under which we live. I am not speaking to you as a lawyer or as a politician, and I care nothing about the Republican or the Democratic Party. I am here having been elected by the people of Montana to represent the people of Montana and not any political party.

Congress is selected by the people to represent the people and to confine itself within the Constitution as it was handed to it by the people of this great country of ours. If you will

read the first paragraph of the Constitution, you will find this:

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

If you will read the last paragraph in section 8, you will find this:

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

The tenth amendment to the Constitution reads as follows:

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.

Further, in order that there shall be no invasion of such rights, the people say in the ninth amendment to the Constitution:

The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people.

These are some of the rights the people have reserved for themselves. Congress is not here to propose its own ideas with respect to the Constitution. You Members of Congress are here simply to confine yourselves within the provisions of the Constitution of the United States.

Who are the people? The people are composed of those engaged in industry, commerce, business, labor, agriculture, the professions, and all other earning groups. They are the people, and you have no right to enforce your views on them, because the Constitution belongs to the people and not to Congress. The Constitution is the fundamental law upon which all legislation must be based. It must not be based upon the personal opinions of Members of Congress or anyone else.

I know that this has not been adhered to by any Congress. It is not a question of blaming the Republican Party or the Democratic Party or President Roosevelt or President Hoover. Those who are responsible for the conditions facing us today are the majority in Congress; it makes no difference whether we be Republicans or Democrats, because we are the ones who pass the bills, and we must not forget that. [Applause.]

Many laws have been passed that are clearly unconstitutional, and I want the Members of Congress to know this whether they like it or not. We must confine ourselves to the Constitution and the power delegated to Congress by it. The Supreme Court passes only on the constitutionality of the legislation we enact. Congress and the Supreme Court are subservient to the people. Under the Constitution, neither has the right to pass any law unless it comes within constitutional limitations. I say this has not always been followed by the Supreme Court of the United States.

In 1934 Congress passed the Gold Reserve Act, in which the gold was recalled from circulation and taken over by the Federal Government. I want you to know that that gold belongs to the people and is their property, just as much as a house is property. When Congress enacted a law that deprived the people of the very property they had earned, that they had dug out of the ground with their fingers, it did something that is clearly not within the Constitution of the United States; and it was not living up to its obligation to preserve, protect, and defend the Constitution of the United States.

I want to speak about something else before closing, because I shall have something more to say later on.

In the same Gold Reserve Act you set aside \$2,000,000,000 which was to represent the increment on the gold when its value was reduced from 25.8 to 15.25 grains of gold ninetenths fine, and you gave that \$2,000,000,000 to the President of the United States and to the Secretary of the Treasury to be used in any manner they cared to use it. That was all right, but you said in that act that no officer of the United

States could ask for an accounting of the \$2,000,000,000. You had no right to do that.

In section 9 of the Constitution you will find that-

No money shall be drawn from the Treasury but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time.

What right did you or what right did the Supreme Court have to pass a bill that absolutely denied the right of the people to an accounting for that \$2,000,000,000, as is clearly provided for in the Constitution?

I have no animosity or ill feeling toward the Democrats, because I like them, and I like the Republicans as well, naturally, because I do belong to the Republican Party. But as a Representative of the people of Montana I want you to know that when I sit here in Congress I represent with all of you the 48 States of the Union, and we cannot do anything for one State or for the benefit of one State without hurting the others, and this is a point we must bear in mind.

I do not want to go into any lengthy discussion now, because I shall speak about this later on; but I want you to think this over. We must get back to the foundation upon which our Government is built, and that foundation is the Constitution of the United States.

You have established about 75 private corporations by specific acts of Congress, and I would like to be informed of any provision of the Constitution that has given you the right to create corporations by specific acts of Congress. I want you to tell me that. [Applause.]

[Here the gavel fell.]

#### EXTENSION OF REMARKS

Mr. SMITH of Connecticut. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include extracts from a radio speech made by Senator Maloney, of Connecticut, concerning the work of the W. P. A. men at the time of the hurricane and flood of 1938.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

### LEAVE TO ADDRESS THE HOUSE

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent that on Wednesday next, following the remarks of the gentleman from Colorado [Mr. Cummings], I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that after the disposition of the legislative program for the day and any other special orders heretofore entered, that the gentleman from Pennsylvania [Mr. EBERHARTER] may be permitted to address the House for 10 minutes on Wednesday next.

The SPEAKER. Is there objection? There was no objection.

### EXTENSION OF REMARKS

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein an address made by myself before the bar association in my district.

The SPEAKER. Is there objection?

There was no objection.

Mr. CANNON of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein a statement made by myself on January 4 last.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein a brief extract from a statement made by James Truslow Adams in regard to the Library of Congress.

The SPEAKER. Is there objection?

There was no objection.

LXXXIV-26

Mr. Sumners of Texas asked and was granted leave to extend his own remarks in the Record.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Larrabee, for 2 days, on account of important business.

#### ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock p. m.) the House, under its order previously entered, adjourned until Wednesday, January 18, 1939, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

266. A letter from the Attorney General, transmitting a report to show the special assistants employed for the period July 1, 1938, to January 1, 1939, under the appropriation "Pay of special assistant attorneys, United States courts"; to the Committee on Expenditures in the Executive Departments.

267. A letter from the Secretary of War, transmitting the draft of a proposed bill to amend and clarify the provisions of the act of June 15, 1936 (49 Stat. 1507); to the Committee on Military Affairs.

268. A letter from the Acting Secretary of the Interior, transmitting one copy of legislation passed by the Municipal Council of St. Thomas and St. John, and approved by the Governor of the Virgin Islands; to the Committee on Insular Affairs.

269. A letter from the Acting Secretary of Agriculture, transmitting a report of activities conducted by the United States Department of Agriculture with funds provided for the control of incipient and emergency outbreaks of insect pests and plant diseases; to the Committee on Agriculture.

270. A letter from the Acting Secretary of the Interior, transmitting the draft of a proposed bill to authorize the payment of attorneys' fees from Osage tribal funds; to the Committee on Indian Affairs.

271. A letter from the Attorney General, transmitting the draft of a proposed bill to amend the White Slave Traffic Act in respect of women and girls under 18 years of age; to the Committee on Interstate and Foreign Commerce.

272. A letter from the American Academy of Arts and Letters, transmitting the report of the American Academy of Arts and Letters for the year 1938; to the Committee on the Library.

273. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 30, 1938, submitting a report, together with accompanying papers, on reexamination of Southeast Branch of Fox Creek, Md., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted December 8, 1937; to the Committee on Rivers and Harbors.

274. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 3, 1939, submitting a report, together with accompanying papers, on a preliminary examination and survey of channel at Knappton, Wash., authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

275. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 3, 1939, submitting a report, together with accompanying papers, on a preliminary examination and reexamination of San Joaquin River near Werner Cut, Contra Costa County, Calif., authorized by the River and Harbor Act approved August 26, 1937, and requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted May 21, 1937; to the Committee on Rivers and Harbors.

276. A letter from the District of Columbia tax study, transmitting the report of the District of Columbia tax study

(H. Doc. No. 108); to the Committee on the District of Columbia and ordered to be printed.

277. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 30, 1938, submitting a report, together with accompanying papers and an illustration, on a survey of Northport Harbor, N. Y., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 109); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

278. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 30, 1938, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Bayou Galere (Legare), Miss., at mouth of Jordan River, and Watts Bayou, Hancock County, Miss., authorized by River and Harbor Acts approved August 26, 1937, and June 20, 1938 (H. Doc. 112); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

279. A letter from the Comptroller of the Currency, transmitting the text of the Annual Report of the Comptroller of the Currency for the year ended October 31, 1938; to the

Committee on Banking and Currency.

280. A letter from the Secretary of Commerce, transmitting a statement showing names, nature of services, cost, and other data in connection with the special statistical studies made under the act of May 27, 1935; to the Committee on Expenditures in the Executive Departments.

281. A letter from the Postmaster General, transmitting the cost-ascertainment report and appendix for the fiscal year 1938; to the Committee on the Post Office and Post

Roads.

# PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Pennsylvania:

H. R. 2635. A bill granting the consent of Congress to Westmoreland County, in the State of Pennsylvania, to construct, maintain, and operate a free highway intercounty bridge and approaches across the Allegheny River, connecting Valley Camp in Westmoreland County and East Deer Township in Allegheny County, to connect State Highway routes Nos. 28 and 56; to the Committee on Interstate and Foreign Commerce.

By Mr. BOLAND:

H. R. 2636. A bill to amend section 327 of the Liquor Tax Administration Act, approved June 26, 1936, to permit an allowance for breakage and leakage in brewery bottling operations; to the Committee on Ways and Means.

By Mr. CALDWELL:

H.R. 2637. A bill to facilitate production of timber on lands within the national forests of Florida; to the Committee on Agriculture.

By Mr. CELLER:

H. R. 2638. A bill to require filing by certain persons of data concerning assets of foreign corporations and entities in default of payment of interest and/or principal on its securities held in the United States and to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. CONNERY:

H. R. 2639. A bill to establish a system of longevity pay for postal employees; to the Committee on the Post Office and Post Roads.

By Mr. DIMOND:

H. R. 2640. A bill to increase the pay of post-office employees in the Territory of Alaska; to the Committee on the Post Office and Post Roads.

H. R. 2641. A bill to exempt from the provisions of Draft Convention No. 53, of the International Labor Conference Treaty of 1936, all American vessels under 200 tons; to the Committee on Merchant Marine and Fisheries. H.R. 2642. A bill to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes; to the Committee on the Civil Service.

By Mr. FADDIS:

H. R. 2643. A bill to provide for the common defense by acquiring stocks of strategic and critical raw materials, concentrates, and alloys essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and for other purposes; to the Committee on Military Affairs.

H. R. 2644. A bill to amend the act entitled "An act to provide for the protection and preservation of domestic sources of tin," approved February 15, 1936; to the Com-

mittee on Military Affairs.

By Mr. FISH:

H. R. 2645. A bill to regulate the formation and activities of private military forces in the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. JARMAN:

H. R. 2646. A bill to provide permanent and total disability rating in active pulmonary tuberculosis cases; to the Committee on World War Veterans' Legislation.

By Mr. PIERCE of Oregon:

H.R. 2647. A bill to amend the act entitled "An act to provide for rural electrification, and for other purposes," approved May 20, 1936; to the Committee on Interstate and Foreign Commerce.

H.R. 2648. A bill to provide for the further improvement of the Columbia and Snake Rivers in Oregon and Idaho; to

the Committee on Rivers and Harbors.

H. R. 2649. A bill providing for the cancelation of certain charges against the Klamath drainage district, of Klamath County, Oreg., and charging such unpaid balance to the unentered public lands within the district; to the Committee on Irrigation and Reclamation.

By Mrs. ROGERS of Massachusetts:

H. R. 2650. A bill to amend Veterans Regulation No. 6 (a), as amended, to authorize hospital care and treatment for American veterans residing in foreign countries, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. ROBINSON of Utah:

H. R. 2651. A bill to prevent the retroactive application of any Federal tax upon the employees of the States and their instrumentalities; to the Committee on Ways and Means.

By Mr. MARTIN of Colorado:

H. R. 2652. A bill to appropriate the sum of \$195,525,500 for the construction of flood-control projects under the National Flood Control Act of 1936 and amendments thereto; to the Committee on Appropriations.

By Mr. COFFEE of Washington:

H. R. 2653. A bill to authorize acquisition of complete title to the Puyallup Indian tribal school property at Tacoma, Wash., for Indian sanatorium purposes; to the Committee on Indian Affairs.

H. R. 2654. A bill authorizing the payment of necessary expenses incurred by certain Indians allotted on the Quinaielt Reservation, State of Washington; to the Committee on Indian Affairs.

By Mr. BURDICK:

H. R. 2655. A bill providing for the cancelation of certain feed and seed loans heretofore made by the United States Government, and providing for an appropriation therefor under the provisions of the War Department appropriation act, and providing for an annual appropriation in the War Department appropriation act to provide seed and feed for farmers residing in blighted areas and victims of drought, flood, or other calamities over which they have no control; to the Committee on Agriculture.

By Mr. CONNERY:

H. R. 2656. A bill to protect American labor, to insure employment opportunities for America's workers, to increase the purchasing power of America's farmers, to provide mar-

kets for the products of America's workers and America's farmers, to relieve the distress created through the entry into American markets of articles, goods, or commodities, the products of foreign workers, at total landed costs (including the payment of tariff duties, if any) which are less than the costs of production of similar or comparable articles, goods, or commodities, the products of America's workers and America's farmers; to the Committee on Ways and Means.

H. R. 2657. A bill to create a United States Civil Service Board of Appeals; to the Committee on the Civil Service.

By Mr. FISH:

H. R. 2658. A bill to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws, and to prevent the crime of lynching; to the Committee on the Judiciary.

By Mr. ENGLEBRIGHT:

H.R. 2659. A bill to add certain land to the Shasta National Forest, Calif.; to the Committee on the Public Lands. By Mr. SIROVICH:

H. R. 2660. A bill relative to limitation of shipowners' liability; to the Committee on Merchant Marine and Fisheries.

By Mr. PIERCE of New York:

H. R. 2661. A bill to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. HORTON:

H. R. 2662. A bill to provide for the extension of certain oil and gas prospecting permits issued under the act of Congress entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on public domain," approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 223), as amended; to the Committee on the Public Lands.

H. R. 2663. A bill to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 223), as amended; to the Committee on the Public Lands.

By Mr. GOLDSBOROUGH:

H. R. 2664. A bill to provide suitable rooms and accommodations for holding terms of the district court of the United States in the Federal building to be constructed in Denton, Md.; to the Committee on the Judiciary.

By Mr. WHELCHEL:

H. R. 2665. A bill to provide increases in clerical allowances at certain offices of the third class, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. DWORSHAK:

H. R. 2666. A bill to provide for the general welfare by establishing a system of Federal benefits and by enabling the several States to make more adequate provision for the control and the eradication of noxious weeds; to conserve and protect the agricultural resources of the several States and of the United States; to empower the Secretary of Agriculture to make certain rules and regulations and prescribe conditions; to raise revenue; and for other purposes; to the Committee on Agriculture.

By Mr. TINKHAM:

H. R. 2667. A bill to provide for the construction of an interocean ship canal of lock design connecting the waters of the Atlantic and Pacific Oceans; to the Committee on Merchant Marine and Fisheries,

By Mr. MAAS:

H. J. Res. 111. Joint resolution creating a special joint congressional committee to be known as the Joint Committee on National Defense; to the Committee on Rules.

By Mr. TINKHAM:

H. J. Res. 112. Joint resolution to create a commission to study and report on the feasibility of constructing the Mexican Canal; to the Committee on Merchant Marine and Fisheries.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Vermont, memorializing the President and the Congress of the United States to consider their House Joint Resolution No. 6, with reference to the sovereignty over the land and natural resources of the State of Vermont; to the Committee on Flood Control.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALL:

H. R. 2668. A bill granting an increase of pension to Annie Tooker; to the Committee on Pensions.

By Mr. BURDICK:

H. R. 2669. A bill for the relief of Morgan Decorating Co.; to the Committee on Claims.

By Mr. CHAPMAN:

H. R. 2670. A bill granting a pension to Parish Graham; to the Committee on Invalid Pensions.

By Mr. CONNERY:

H.R. 2671. A bill for the relief of Anna McCarthy; to the Committee on Pensions.

H. R. 2672. A bill for the relief of Paul Edmond Beliveau; to the Committee on Pensions.

H. R. 2673. A bill for the relief of Edward A. Everett; to the Committee on Naval Affairs.

By Mr. DIES:

H. R. 2674. A bill granting a pension to Samuel Harris; to the Committee on Pensions.

By Mr. DUNCAN:

H. R. 2675. A bill granting an increase of pension to Rose A. Pettigrew; to the Committee on Invalid Pensions.

By Mr. EATON of California:

H. R. 2676. A bill granting a pension to Emma Grannis; to the Committee on Invalid Pensions.

H.R. 2677. A bill granting a pension to Pauline M. Ridgman; to the Committee on Pensions.

By Mr. ENGLEBRIGHT:

H. R. 2678. A bill granting a pension to Fordyce Tucker; to the Committee on Pensions.

By Mr. GARTNER:

H. R. 2679. A bill for the relief of William Henry Savage; to the Committee on Pensions.

H.R. 2680. A bill for the relief of James Moffitt; to the Committee on Pensions.

By Mr. HESS:

H. R. 2681. A bill granting an increase of pension to Alice D. Stayton; to the Committee on Pensions.

By Mr. HOUSTON:

H. R. 2682. A bill granting a pension to Hattie Caldwell; to the Committee on Invalid Pensions.

By Mr. KUNKEL:

H. R. 2683. A bill granting a pension to Jennie R. Ogden; to the Committee on Pensions.

By Mr. MOTT:

H.R. 2684. A bill for the relief of Emma Knutson; to the Committee on Immigration and Naturalization.

By Mr. MERRITT:

H.R. 2685. A bill to authorize the cancelation of deportation proceedings in the case of Guiseppe Belviso; to the Committee on Immigration and Naturalization.

By Mr. McANDREWS:

H. R. 2686. A bill for the relief of Sam Chinisci; to the Committee on Military Affairs.

By Mr. PACE:

H.R. 2687. A bill for the relief of Elbert R. Miller; to the Committee on War Claims.

By Mr. ROBINSON of Utah:

H. R. 2688. A bill for the relief of Chris Barkas and Mabel Barkas; to the Committee on Claims.

By Mr. RUTHERFORD:

H. R. 2689. A bill granting a pension to Corillia Silver; to the Committee on Invalid Pensions.

By Mr. SNYDER:

H. R. 2690. A bill granting a pension to Milton Warner; to the Committee on Invalid Pensions.

H. R. 2691. A bill granting a pension to Agnes E. Kimmell; to the Committee on Invalid Pensions.

H.R. 2692. A bill granting a pension to Grace Alberta Schrock; to the Committee on Pensions.

H. R. 2693. A bill granting an increase of pension to Lovina Baumgardner; to the Committee on Invalid Pensions.

By Mr. TINKHAM:

H. R. 2694. A bill authorizing the President of the United States to reinstate Wallace F. Safford to the position and rank of captain in the Army of the United States; to the Committee on Military Affairs.

By Mr. VAN ZANDT:

H. R. 2695. A bill for the relief of Kenneth B. Clark; to the Committee on Claims:

H. R. 2696. A bill granting a pension to Laura Dively; to the Committee on Invalid Pensions.

By Mr. VINCENT of Kentucky:

H. R. 2697. A bill for the relief of Ruth Steward, administratrix of the estate of Luther F. Steward; to the Committee on Claims.

By Mr. WILLIAMS of Missouri:

H. R. 2698. A bill granting a pension to Mary M. Norris; to the Committee on Invalid Pensions.

H. R. 2699. A bill granting a pension to Annie Rhodes; to the Committee on Invalid Pensions.

H. R. 2700. A bill granting a pension to Ella Strutton; to the Committee on Invalid Pensions.

H. R. 2701. A bill granting an increase of pension to Mary E. Ward; to the Committee on Invalid Pensions.

H.R. 2702. A bill granting a pension to Nancy V. Mosher; to the Committee on Invalid Pensions.

H. R. 2703. A bill granting a pension to Frances E. Newton; to the Committee on Invalid Pensions.

H. R. 2704. A bill granting a pension to Mary E. Mecomber: to the Committee on Invalid Pensions.

H. R. 2705. A bill granting an increase of pension to Ida Nagel; to the Committee on Invalid Pensions.

H.R. 2706. A bill granting a pension to Ruah L. Martin; to the Committee on Invalid Pensions.

H. R. 2707. A bill granting a pension to Malisa Maze; to the Committee on Invalid Pensions.

H. R. 2708. A bill granting a pension to Sarah K. Cope-

land; to the Committee on Invalid Pensions.

H. R. 2709. A bill granting a pension to Emma Knight;

to the Committee on Invalid Pensions. H. R. 2710. A bill granting a pension to Margaret F. Wil-

son; to the Committee on Invalid Pensions.

H. R. 2711. A bill granting a pension to Eddie Bassett; to the Committee on Invalid Pensions.

H. R. 2712. A bill granting a pension to Nan A. Benson; to the Committee on Invalid Pensions.

H. R. 2713. A bill granting a pension to Oscar James Callier; to the Committee on Invalid Pensions.

# PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

203. By Mr. BALL: Petition of citizens of New London, Conn., favoring the general policy of neutrality as set forth in the act of August 31, 1935, and the act of May 1, 1937; to the Committee on Foreign Affairs.

204. By Mr. CHIPERFIELD: Petition of the Townsend Club of Clayton, Ill., urging that the Townsend bill be brought on the floor for discussion; to the Committee on Ways and Means.

205. By Mr. DEROUEN: Petition of the board of directors of the Louisiana Coalition of Patriotic Societies, Inc., urging the continuance of the Dies committee investigating un-American activities, etc.; to the Committee on Rules.

206. By Mr. GERLACH: Petition of sundry citizens of Lehigh County, Pa., urging adherence to the general policy of neutrality as set forth in the act of May 1, 1937, and extension of the act to include civil as well as international conflicts: to the Committee on Foreign Affairs.

207. By Mr. GEYER of California: Resolution of the Maritime Federation of the Pacific, Bruce Hannon, secretary-treasurer, pointing out that a United States marine hospital should be constructed in San Pedro, Calif.; to the Committee on World War Veterans' Legislation.

208. By Mr. HAWKS: Petition carrying the signatures of 150 residents of Waukesha County, Wis., protesting against any change in our present policy of neutrality; to the Committee on Foreign Affairs.

209. By Mr. MARSHALL: Petition of St. Edward's Rectory, Cleveland, Ohio, relative to the lifting of the embargo on arms by eliminating the principle enunciated in the act of May 1, 1937, by which civil as well as international conflict is involved; to the Committee on Foreign Affairs.

210. By Mr. PLUMLEY: Petition of Rev. F. E. McDonough and 15 other residents of Montpelier, Vt., petitioning the Congress to retain provisions of the act of May 1, 1937; to the Committee on Foreign Affairs.

211. Also, petition of Burlington (Vt.) Branch, American Association of University Women (50 members), to the Congress to support revision of the present neutrality law; to the Committee on Foreign Affairs.

212. Also, a petition of the Ave Maria Circle, No. 128, Daughters of Isabella, Ellen F. MacKinnon, recording secretary, of Brattleboro, Vt., urging Congress to retain the embargo on arms and to investigate leftist and communistic groups in the United States; to the Committee on Foreign Affairs.

213. By Mr. RODGERS of Pennsylvania: Petition of certain citizens of Union City, Pa. (Townsend Club No. 1), favoring the enactment of the general welfare bill (H. R. 2); to the Committee on Ways and Means.

214. Also, petition of certain citizens of the city of Erie, Pa., and of Erie and Crawford Counties, Pa., favoring the policy of neutrality as enunciated in the act of August 31, 1935, and also the act of May 1, 1937, etc.; to the Committee on Foreign Affairs

215. Also, petition of certain citizens of the city of Erie, city of Meadville, and of Erie and Crawford Counties, Pa., favoring the policy of neutrality as enunciated in the act of August 31, 1935, and also the act of May 1, 1937, etc.; to the Committee on Foreign Affairs.

216. By Mr. SCHIFFLER: Petition of the officers and members of Local Union No. 4021, with a membership of 750, protesting against the adoption of any amendments to the Wagner Relations Act at this time; to the Committee on Labor.

217. Also, petition of Richard Flanagan and 48 citizens of Grafton, W. Va., protesting against any changes in the Neutrality Act; to the Committee on Foreign Affairs.

218. By Mr. SECCOMBE: Petition of members of the Adult Bible Class of the Union Church of Fredericksburg, Ohio, headed by Mrs. Edward E. Braid, urging that Congress, in the interest of world peace, enact legislation forbidding trade between the United States and the aggressor in any military or naval conflict throughout the world; to the Committee on Foreign Affairs.

219. By Mr. TERRY: Memorial of the Senate of the Fiftysecond General Assembly of the State of Arkansas, assembled in regular session, the house of representatives concurring therein, that the Arkansas delegation in the Congress support wholeheartedly the President's program of defense; to the Committee on Appropriations.

220. Also, Concurrent Resolution No. 2, of the Arkansas State Senate, petitioning Congress to enact legislation to provide Federal grants for educational purposes in accordance with the recommendations of the report of the President's Advisory Committee on Education; to the Committee on Education.

221. By Mr. VAN ZANDT: Petition of Mrs. H. J. Dooley and others of Bellwood, Pa., urging the passage of legislation

which will stop, so far as is possible by Federal law, the great advertising campaign for the sale of alcoholic beverages now going on by press and radio; to the Committee on Interstate and Foreign Commerce.

222. Also, petition of Mrs. W. F. Balsbach, of Bellwood, Pa., and others of Blair County, Pa., urging the passage of legislation which will stop, so far as is possible by Federal law, the great advertising campaign for the sale of alcoholic beverages now going on by press and radio; to the Committee on

Interstate and Foreign Commerce.

223. By Mr. VORYS of Ohio: Petition of Cecilia Reeb and 87 others, of Columbus, Ohio, petitioning Congress to adhere to the general policy of neutrality as enunciated in the act of August 31, 1935, and also to retain on our statute books the corollary principle of the same act and to extend the original act to include civil as well as international conflicts; and also urging Congress to launch an investigation of those leftist groups which are sponsoring propaganda favoring the lifting of the embargo on arms to "red" Spain; to the Committee on Foreign Affairs.

224. By Mr. VAN ZANDT: Petition of the Catholic Daughters of America, of Clearfield, Pa., urging the adherence by the United States to the Neutrality Acts of August 31, 1935, and May 1, 1937; to the Committee on Foreign Affairs.

225. By the SPEAKER: Petition of the United Federal Workers of America, Washington, D. C., petitioning consideration of their petitions with reference to civil service; to the

Committee on Appropriations.

226. Also, petition of the Alabama Road Builders' Association, Montgomery, Ala., petitioning consideration of their resolution dated December 5, 1938, with reference to high-

ways: to the Committee on Roads.

227. Also, petition of Nicholas Martini, director of public works, Passaic, N. J., petitioning consideration of his resolution dated January 10, 1939, with reference to Works Progress Administration and relief; to the Committee on Ways and Means.

228. Also, petition of the Holy Name Society, St. Sebastian's Parish, Milwaukee, Wis., petitioning consideration of their petition with reference to neutrality; to the Committee on

Foreign Affairs.

229. Also, petition of the National Society of the Sons of the American Revolution, Washington, D. C., petitioning consideration of their resolution with reference to the un-American activities in the United States; to the Committee on Rules.

230. Also, petition of the United Federal Workers of America, Local 50, Washington, D. C., petitioning consideration of their resolution with reference to Works Progress Administration; to the Committee on Appropriations.

231. Also, petition of the city of Royal Oak, Mich., petitioning consideration of their resolution with reference to the

Dies committee; to the Committee on Rules.

# SENATE

TUESDAY, JANUARY 17, 1939

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, our Heavenly Father, who lovest all and forgettest none, and who art always more ready to hear than we to pray: look upon us with Thy favor as at this, the beginning of another day, we commit ourselves unto Thee.

Do Thou so order our unruly wills and affections as to bring them into perfect harmony with Thy will; and we beseech Thee to direct and prosper all our consultations in behalf of our Nation that we may be delivered from all those sins that divide us, from class bitterness and race hatred, from greed and from the arbitrary love of power, from the fear of unemployment and the evils of overwork, from the luxury that enervates and the poverty that stultifies; and grant that universal justice, made radiant by Thy love, may be established among us for all generations. We ask it in the name of Jesus Christ our Lord. Amen.

#### THE JOURNAL

On request of Mr. Barkley, and by unanimous consent, the reading of the Journal of the proceedings of Monday, January 16, 1939, was dispensed with, and the Journal was approved.

#### CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The legislative clerk (Emery L. Frazier) called the roll, and
the following Senators answered to their names:

Adams	Donahey	King	Schwartz
Andrews	Downey	La Follette	Schwellenbach
Ashurst	Ellender	Lee	Sheppard
Austin	Frazier	Lodge	Shipstead
Bailey	George	Logan	Smith
Bankhead	Gerry	Lucas	Stewart
Barbour	Gibson	Lundeen	Taft
Barkley	Gillette	McCarran	Thomas, Okla.
Bilbo -	Glass	McKellar	Thomas, Utah
Bone	Green	McNary	Tobey
Borah	Guffey	Maloney	Townsend
Bridges	Gurney	Mead	Truman
Brown	Hale	Minton	Tydings
Bulow	Harrison	Murray	Vandenberg
Burke	Hatch	Neely	Van Nuys
Byrd	Hayden	Norris	Wagner
Capper	Herring	Nye	Walsh
Chavez	Hill	O'Mahoney	Wheeler
Clark, Idaho	Holman	Pepper	White
Clark, Mo.	Holt	Pittman	Wiley
Connally	Hughes	Reed	
Danaher	Johnson, Calif.	Reynolds	
Davis	Johnson, Colo.	Russell	

Mr. MINTON. I announce that the Senators from Arkansas [Mrs. Caraway and Mr. Miller] are absent attending the funeral of the late Representative Crayens, of Arkansas.

The Senator from South Carolina [Mr. Byrnes] is attending the inauguration of Governor Maybank, and will be unable to attend the session of the Senate today.

The Senator from Illinois [Mr. Lewis], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from New Jersey [Mr. SMATHERS] are detained from the Senate on important public business.

The Senator from Louisiana [Mr. Overton] is absent because of illness.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

SPECIAL ASSISTANT ATTORNEYS, DEPARTMENT OF JUSTICE

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a report for the period of July 1, 1938, to January 1, 1939, showing the special assistants employed under the appropriation, "Pay of special assistant attorneys," contained in the Department of Justice Appropriation Act, 1939, together with the rates of compensation, the amounts paid, and a description of their duties, which, with the accompanying report, was referred to the Committee on the Judiciary.

### REPORT ON WIRE OR RADIO SAFETY LEGISLATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Communications Commission, reporting, pursuant to law, relative to proposed new wire or radio communication legislation to better insure safety of life and property, which was referred to the Committee on Interstate Commerce.

# EMPLOYMENT OF ALIENS BY GOVERNMENTAL AGENCIES

The VICE PRESIDENT laid before the Senate letters from the President of the Export-Import Bank of Washington and the Acting Chairman of the Federal Power Commission, stating, in response to Senate Resolution 285, agreed to June 8, 1938, that no aliens are employed by them, which were referred to the Committee on Education and Labor.

# PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate letters and telegrams in the nature of memorials from sundry citizens of the States of Maryland, Michigan, and New York, remonstrating against lifting the embargo on the shipment of arms to Spain, which were referred to the Committee on Foreign Relations.